

Steel Stockholders HALL BROS

Bovis Construction Limited

NEWS SUMMARY

GENERAL

Holiday travel delay threat

U.S. accused by Israel

Pandolfi fails

Uster shootings

Top police job

£150m rail plea

Royal salute

Namibia switch

Wreck recovered

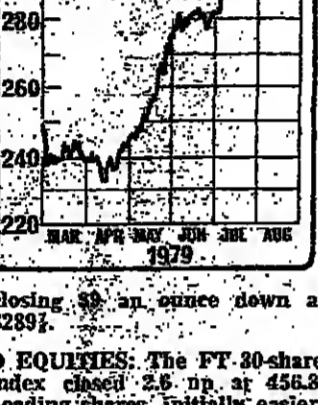
Briefly

BUSINESS

Sterling up 2.25c; Gold falls \$9

DOLLAR was weaker, finishing at DM 1.8285

GOLD fell sharply in heavy speculative trading in London



EQUITIES: The FT-30 share index closed 2.6 up at 456.4

GILTS opened better and performed well, gains on long maturities

WALL STREET before the close was 4.09 down at 246.32

NATIONAL UNION of Seamen, instructed to supply local news not to service North Sea

ITALYAN REVENUE consultants' document says that a wide range of business costs should become tax allowable

ALITALIA, the Italian state airline, declined to comment on reports that it was negotiating the purchase of five Boeing 747s

UK steelmakers have protested to the Government over the alleged dumping of large quantities of stainless steel from Brazil

Clegg pay awards may cause more public spending cuts

BY ALAN PIKE, LABOUR CORRESPONDENT

The Government yesterday undertook to implement the Clegg comparability commission recommendations on public services manual workers pay, but said it would be necessary to consider public expenditure cuts to offset the cost

Bank gives warning on industrial investment

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

DECLINING profitability and increasing public spending may cause more lasting damage to manufacturing industry during the next 18 months than occurred during the 1974 recession and liquidity crisis, the Bank of England says

Health rebels' powers stripped

BY PAUL TAYLOR

THE 33 members of a rebel health authority in South London were yesterday stripped of their powers and responsibilities by Mr. Patrick Jenkin, Social Services Secretary

UK and Africa: aftermath of Nigeria's BP takeover... Economic viewpoint: problems with monetarism...

Chrysler presses for \$1bn tax relief

By John Wyles in New York

CHRYSLER CORPORATION is pressing the Carter Administration for \$1bn in special tax relief over the next 18 months to prevent a drastic reduction in the company's activities or even its collapse

Following a record \$207.1m second quarter loss, Chrysler's two top executives, Mr. John J. Riccardo, chairman, and Mr. Lee Iacocca, president, said the company was counting on Government help and had no alternative solution to Chrysler's desperate financial plight

There are two dimensions to Chrysler's crisis, which poses a problem for the Carter Administration since the only precedent for Government aid for an ailing company is the \$350m loan guarantees provided for Lockheed Corporation in 1971

Chrysler is suffering a severe slump in demand for its cars and trucks and is being forced to finance an inventory of 80,000 units or 95 selling days' supply worth \$700m

If the last Government had offered our members increases of 20 per cent at the beginning of the year the strikes could well have been avoided and we might still have a Labour Government in power

Carrington protests at BP takeover

BY DAVID PALMER AND MARTIN DICKSON IN LUSAKA

BRITAIN yesterday delivered a strong and public protest to the Nigerian Government over the nationalisation of British Petroleum's assets

In front of some 500 delegates and journalists at the Commonwealth Conference in Lusaka, Lord Carrington, Foreign Secretary, took Major-General Adekunle Ajasoro, Nigeria's Commissioner for External Affairs, to one side and protested at the Nigerian action in the most vigorous terms

Later, Lord Carrington said: "I can think of nothing more counter-productive and nothing less likely to succeed than an attempt of this kind to move the Government's policy on Southern Africa"

The British Government is to ask Nigeria to "reconsider" its nationalisation decision, Mr. Frank Kennedy, the acting High Commissioner in Lagos, is to take up the matter with the Nigerian Government

UK companies' reaction. Aftermath of the takeover. Mr and Mrs. Page 18. Men and Matters. Back Page

Table with 5 columns: Amount Invested, 2 year term, 3 year term, 4 year term, 5 year term. Includes Gateway Bonds and Monthly Income Bonds.

GOOD NEWS FROM GATEWAY 5 YEAR TERM BOND 10.75% - 15.36%

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NEW! Investment Interest Rates The Society's interest rates will be increased by 0.75% on all investment accounts from 1st August 1979 (S.A.Y.E. excluded).

Table with 2 columns: RISES, FALLS. Lists various commodities and their price changes.



# Moslem party threat to boycott Iran elections

BY ANDREW WHITLEY IN TEHRAN

IN A new threat to tomorrow's national elections to a constituent assembly, Iran's second largest party, the Moslem People's Republican Party (MPRP), has threatened to boycott the polls if they are not postponed for at least three weeks.

The move coincided with a strong appeal to the nation from Ayatollah Khomeini for a large turnout. "This will be considered a part of worship during the holy month of Ramadan," the country's unofficial head of state said.

Restating his determination to ensure that the constitution is truly Islamic, Ayatollah Khomeini said it was necessary for every man and woman to go to the ballot boxes with the same enthusiasm as he said had been shown in the referendum to abolish the monarchy, when officially more than 90 per cent of the electorate voted.

Those to be elected to the assembly had to be "experts in Islam, united, honest... and shunners of affiliation to left or right. In every electoral ward the clergy must invite the nation to elect them," he urged.

The Moslem People's Republican Party, which backs the moderate religious leader Ayatollah Shariat-Madari and claims to have the support of more than 8m Iranians, argued in a letter to the Ministry of the Interior that present conditions would not permit free and fair elections.

Last night the party was due to make a final decision on its stance. Withdrawal would cast grave doubt on the credibility of the assembly to be set up, but would probably make little difference to its composition.

Electioneering on radio and television and through the Press, is at last under way. The level of popular interest remains low and a number of cases of

intimidation of Khomeini opponents have been reported. Many candidates have expressed concern at the domination of the proceedings by the Islamic Republican Party, the biggest political organisation and made up of ardent Khomeini supporters known for their strong-arm tactics.

Prominent Liberals such as Mr. Hassan Nazhi, the oil chief, and Mr. Ali Asghar Haj Seyyed Javadi, a distinguished writer, have also threatened to withdraw their candidatures if members of the ruling Revolutionary Council are allowed to stand.

But with only 24 hours to go there are no signs of the Government being swayed either by this threat or by that of the Shariat-Madari Party.

Earlier this week Ayatollah Shariat-Madari and Mr. Hassan Nazhi, an outspoken critic of the regime, said they would have preferred the former constitution in force under the Pahlavi Dynasty to have been retained, with suitable amendments.

Well informed Iranians now feel that the present draft document may be made substantially more Islamic in character during assembly sessions.

To overcome the problem of the high proportion of illiterates likely to be participating in a complicated preferential vote, the Government has announced that illiterate voters can bring along friends to assist them.

In any case a final list of some 60 successful Moslem candidates is regarded here as virtually a foregone conclusion, given the prominent role the Moslems are playing. As one leading academic said yesterday: "They'll probably be told how to vote for when they go to the Mosque for their evening prayers."

Concern is mounting over Pakistan's economic problems. Simon Henderson reports from Islamabad

# Growing shadow over General Zia's future

THE PRESIDENT of Pakistan, General Zia-ul-Haq, has failed so far to find a solution to the problems of handing over power to a civilian government and of managing the economy. A failure that casts a growing shadow over his future.

Elections are due to be held in November and could give at least a narrow victory to the Pakistan People's Party (PPP), formerly led by Mr. Zulfikar Ali Bhutto, who was overthrown by General Zia in July 1977.

General Zia, as orchestrator of the campaign against Mr. Bhutto which led to his hanging for a political murder last April, would most likely be the first target of reprisal for a PPP-led Government.

It is doubtful whether his fellow generals would permit acts of revenge, even though General Zia himself has said that he would be quite prepared to stand trial. The least fate of some of the generals who have worked closely with Zia's martial law regime would be forced retirement, while for others it could be imprisonment.

The general is thus unlikely to carry through his objective of the re-establishment of the rule of law and the creation of conditions for the restoration of democracy. The plethora of anti-Bhutto political parties would be unlikely to stand for a restoration of PPP rule. To

many Pakistanis, including not only the bureaucracy, a continuation of military rule may seem preferable.

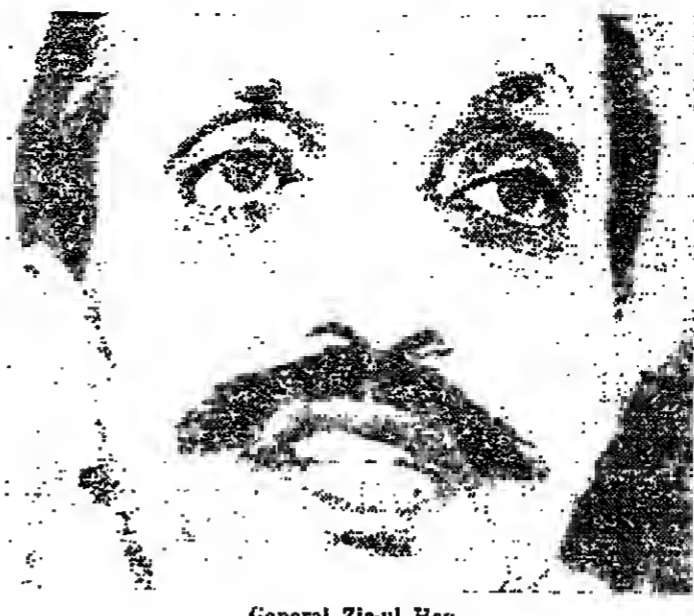
For General Zia, however, the mantle might be too much to bear. Observers say he looks drained from the exertions of running the country. For the other generals who would have to rule if the military regime continues, it would probably be more convenient politically if Zia stepped aside.

General Zia is preparing the ground to push through several constitutional amendments which would allow for a measure of civil rule while the army stayed close to the centre of power.

Proportional representation, suggested last week, would probably result in a weak coalition government demanding a strong President. A former chief justice is working on a formula which would permit the army to intervene constitutionally whenever the President felt the Prime Minister was exceeding his authority.

But neither move removes the danger of a Peoples Party victory. Under the leadership of Begum Nusrat Bhutto, the former Premier's wife, and his daughter, Beozar, the party can still pick up many working class and peasant votes.

Another consideration is that in its two years of office the military regime has attempted



General Zia-ul-Haq

to revive Pakistan's economy and to create stability after years of a high-handed Bhutto administration which deeply polarised Pakistani society. But the political parties seem woefully unprepared to continue these efforts. None of the contestants has powerful policies or more than a few good candidates.

The former anti-Bhutto Pakistan National Alliance has been split for more than a year, and in addition some of its parties are tarnished by the holding of office in one of Zia's Cabinets, where allegations of corruption were made against them.

The PPP can win votes by playing on the legacy of Mr. Bhutto although according to some officials, this sympathy is not as great now as it was at the time of the execution.

Zia probably knows even better than the political parties that whoever gains power will face an immediate crisis. Decl-

sions must be taken about the economy which will mean hardship and disappointment for many. Pakistan is living beyond its means, with growth slowing and debts increasing.

Foreign cash reserves stand at just \$400m, remittances from Pakistanis working in the Gulf and in Britain have reached a plateau at \$1.3bn a year, while debt service payments are pressing and western countries are refusing to reschedule when no remedial domestic policy is in sight.

The men who will be with Zia in the "smoke-filled rooms" when the next stage of Pakistan's government is planned are the other Service chiefs and the six lieutenant generals who command the various corps around the country and, in the case of four, are the provincial governors.

Observers in Islamabad say that if there is to be a continuation of military rule it will be from this group that the new leader will come. This is the Pakistani tradition.

Other observers say none of this group wants to stay on in power or close to it. But the arguments for stability, particularly by the senior civil servants who have identified themselves closely with the regime, might be unbeatable. Zia has got away, at least in the short term, with hanging Mr. Bhutto and with

postponing elections initially promised for October 1977. It might be tempting to think that with a few cosmetic changes, it would be possible to delay elections again.

The present regime is in the middle of several sensitive policies which it is unlikely to trust to the hands of novice politicians.

The tribal rebellion in Afghanistan could easily lead to an open conflict between Pakistan and the pro-Soviet Tarak regime in Kabul, with the added danger of Moscow turning its attentions on Islamabad as well.

Also, the plans to build nuclear bomb are, according to western analysts, continuing apace. This operation has always come under the aegis of the Pakistan Army.

The dangers of not holding elections are twofold. Protest in the streets can be controlled by police action and the arrest of party leaders, but the organisation of the political parties is probably not enough for protest to be able to continue while the leaders are in prison.

The greater danger is Pakistan's weak federalism. It would be suicide for Zia not to hold elections. It would mean the break-up of Pakistan "in the view of a man close to the general."

# Mauritania pulls out of 'crippling' Saharan war

BY OUR FOREIGN STAFF

MAURITANIA HAS decided to withdraw from the war against Algerian-backed guerrillas over Western Sahara and to give up the part of the North-West African territory it took over in 1976.

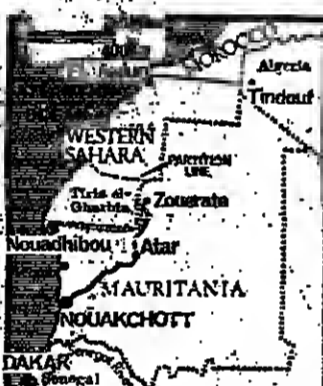
Lt-Col Mohammed Haidalla, the Mauritanian Prime Minister and strongman, announced final capitulation from a struggle that has proved militarily and economically crippling and has caused serious internal political problems for his country.

Col. Haidalla said Mauritania had "chosen definitely to withdraw from the Sahara war which we consider fratricidal and unjust. Mauritania has no territorial ambitions in the Western Sahara," he said.

He added that Mauritania's administration of the Tiris el Gharbia, its portion of the former Spanish colony, was provisional and was only there until the local population could determine its own future.

In fact, Mauritania does not have effective control over the Tiris el Gharbia. Apart from a number of garrison towns the territory is largely under the control of Polisario, the guerrilla group which is backed by Algeria.

It remains to be seen whether Morocco, which divided up Western Sahara with Mauritania in 1976 and which still has several thousand troops in Mauritania and the Tiris el Gharbia, will try to consolidate its hold on the territory. Alternatively Polisario might attempt to establish there the government of the Saharan Arab Democratic Republic, which was



proclaimed in 1976 and has been in exile in Algeria.

A number of countries have already reorganised the SADR and if it obtains an independent territorial base it may achieve wider acceptance.

The Mauritanian capitulation is a blow to Morocco, but one which has been increasingly likely ever since the country's long-standing leader, President Ould Dadda, was deposed in a coup just over a year ago as a result of opposition to the war.

King Hassan of Morocco has vowed to continue fighting, claiming that the Western Sahara is Morocco's by historical right.

Morocco suffered a severe diplomatic setback at the African summit in Mauritania last month when a resolution calling for a ceasefire in the Western Sahara and the organisation of a referendum to consult the population was adopted by a majority of two-thirds of the participants.

# Charan Singh will seek vote of confidence

BY K. K. SHARMA IN NEW DELHI

A VOTE of confidence in Mr. Charan Singh's new Indian coalition Government is to be sought in the Lok Sabha (lower house of parliament) on August 27. Until then Mr. Charan Singh will have an unstable and uneasy existence as leader.

Present signs are that the coalition is in a minority, and unless the Prime Minister can attract more support, then he will fall.

Persuasion of the 100 or so uncommitted members of parliament by the Government and the Janata opposition is in progress.

If Mr. Charan Singh fails to attract a minimum of 70 more members to his side, the Government will fall. This is because Mrs. Indira Gandhi has withdrawn her support for Mr. Charan Singh and with it the 72 members of her Congress Party.

Should Mr. Charan Singh fail to survive, constitutional experts say that the President, Mr. Reddy, will call upon Mr. Jagjivan Ram, leader of the (Janata) Opposition, to form a Government, despite the fact that the Janata is also in a minority.

Many feel that a mid-term election is unavoidable. The present manoeuvring for position would appear to be a prelude to the election that almost

every party does not want but feels is unavoidable. But there is no certainty about the timing.

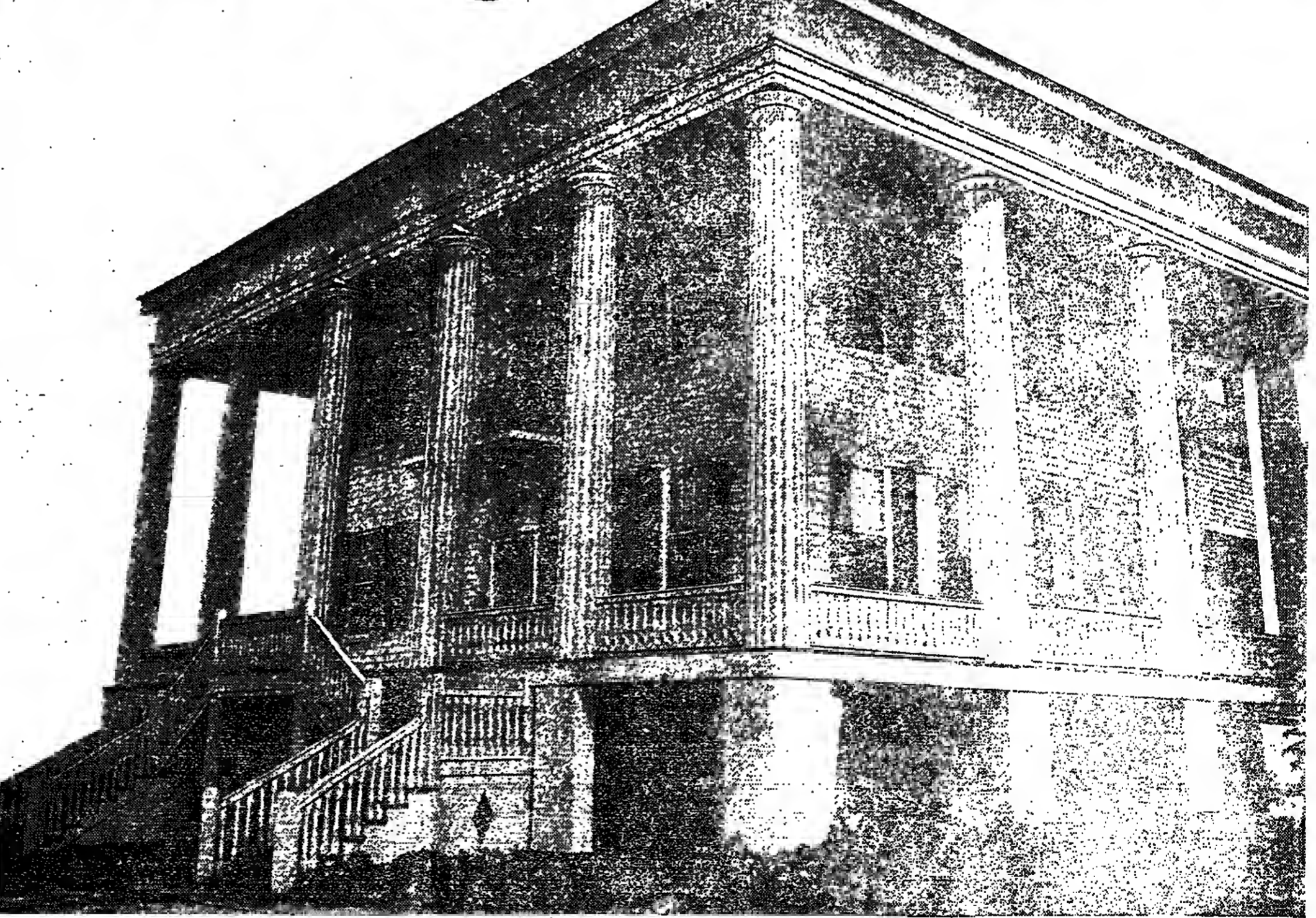
The Election Commission has let it be known that it will take up to six months to make preparations for the poll since this involves the revision of electoral rolls and the setting up booths for an electorate of more than 400m. Each Parliamentary Election has more than 5,000 contestants for the 542 seats in the Lok Sabha.

Though the process could be speeded an election cannot be held before the end of the year. It is expected to be delayed further if competing parties are given opportunity to form a Government should Mr. Charan Singh and Mr. Jagjivan Ram fail.

The President is already known to be thinking of setting up a National Government if political instability remains. This would be formed by non-controversial people of national stature, although finding a sufficient number would be a problem.

Many fear that an early election will not solve anything since no party will emerge with an absolute majority. In that event, the present horse-trading will continue, possibly to the advantage of Mrs. Indira Gandhi, who is fast emerging as focal point of potential power again.

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David Buchan follows the President to Bardstown, Kentucky on a foray to 'break down the barriers'

Carter's crusade for coal

A WHITE-HAIRED lady comes up to the rostrum to the steamy, packed Bardstown high school...



President Carter greets the crowds from the roof of his limousine.

It may not be high policy, but Mr. Carter it is smart winking. The President's "own meeting" in Bardstown...

rather burn a ton of Kentucky coal than see our nation become dependent by buying another barrel of OPEC oil.

U.S. energy use, and by the fact that Senator Edward Kennedy has made it a main plank of his alternative energy plan.

Certainly, Mr. Carter has cast the tax as the only means to pay for his \$142bn energy programme for the 1980s.

But the President is likely to be warmly received also in Iowa, Florida, Maine and other places he intends to hold local meetings soon.

Optimism in Turkey over currency relaxation

By Metin Munir

TRACES OF optimism are becoming apparent among the Turkish businessmen following the announcement that foreign exchange transfers by the Central Bank, frozen since the beginning of 1977, are to be reactivated today.

The transfer programme is so modest as to be symbolic: a total of \$195m (£86m) will be transferred over the next two months (aside from oil, military procurement and essentials).

Under this, industrialists can use nearly 100 per cent of their earnings from export proceeds to make imports for their private needs.

Japan takes larger share of W. German car market

BY ROGER BOYES IN BONN

JAPANESE CARS are taking an increase share of the highly competitive German market, according to the latest statistics...

During the past year, Japan has overtaken Italian manufacturers whose share has dropped slightly from 4.6 per cent in January-June 1978 to 4.5 per cent in the first half of 1979.

Opportunity opens for Vauxhall

BY LISA WOOD

NEW MARKETS will open to Vauxhall Motors with the setting up by its parent company, General Motors, of its own wholesaling and retailing operation in West Germany.

up in conjunction with Vauxhall Motors, the GM subsidiary, will include GM trucks imported from the U.S. and Bedford trucks imported from Vauxhall.

Alitalia 'may buy Boeing 747s'

BY PAUL BETTS IN ROME

ALITALIA, which has now waited more than two months for Italian Government permission to buy six McDonnell Douglas DC-10 airliners, declined to comment yesterday on reports that it will buy five Boeing 747s.

An Alitalia spokesman said yesterday the airline was still waiting for Government approval. At the same time, Alitalia is understood to be considering eventual alternative deals in view of the Government delays in approving the DC-10 purchase.

China sets up new trade agencies

BY COLINA MACDOUGALL

IN A MOVE apparently designed to encourage trade, China has established two new commissions to regulate foreign investment and supervise importing and exporting.

ventures, for which China has recently announced new legislation, and to run China's complex trading system more effectively.

Crude oil price raised

BY RICHARD HANSON IN TOKYO

CHINA HAS set the price of its Daqing (Tachung) crude oil being exported to Japan during the July-September quarter at \$21.80 per barrel, or 28.5 per cent above the \$16.96 price agreed in mid-April for the previous quarter.

Oil Trading Company and the Federation of Chinese Petroleum Importers, Japan will import a total of about 7m tonnes this year, or 3 per cent of Japan's total oil imports.

Koerting UK changes hands

BY FRANK GRAY

THE SALES and marketing in Britain of television, stereo, electronic products from Koerting of West Germany, will now be undertaken by Wholesale Supply, the distribution company based in Stoke on Trent.

retain the Europa sales and marketing umbrella for the West German-made electronics products company. Europa would continue to operate as a subsidiary company among Wholesale Supply's other holdings, the core of which is Allied Electronics Distributors, which it acquired from the Phillips group a year ago.

House wrangles over standby rationing

BY OUR WASHINGTON CORRESPONDENT

THE U.S. HOUSE of Representatives was yesterday still wrangling over the final shape of a standby petrol rationing plan, basically approved on Tuesday night.

already passed Congress. Business, according to the new amendment, would not have to raise summer temperatures in commercial buildings, or lower them in winter, if they could show they had made energy savings in other ways.

The Energy Department, which considers petrol supplies adequate at present, is now turning its attention to the need to build up home heating fuel stocks for the coming winter.

boost heating oil production. President Carter, in a New York Times interview yesterday made it clear that he intended to hold the line on public spending and would not be rushed into proposing a federal tax cut.

Canadian parties angry over oil supplies

BY VICTOR MACKIE IN OTTAWA

THE CANADIAN opposition parties say they will introduce motions of no confidence in Prime Minister Joe Clark's minority Conservative Government early in the new Parliament, set to meet on October 9.

oil agency was set up by the Liberals and the NDP yesterday separately voiced concern over the Imperial Oil Company sending a delegation to Mexico to discuss oil supply contracts.

The energy spokesman for the Liberals and the NDP yesterday separately voiced concern over the Imperial Oil Company sending a delegation to Mexico to discuss oil supply contracts.

Bosworth replaced at wages council

BY JOHN WYLES IN NEW YORK

RESIDENT CARTER'S nomination of Mr. R. Robert Russell as director of the Council on Wage and Price Stability, a succession to Mr. Barry Bosworth, is expected to ensure continuity in an organization which tends to act as the White House's conscience on inflation.

and price restraint guidelines and the appointment of Mr. Alfred Kahn as its chairman. Since it was given responsibility for administering the guidelines, the council's staff has grown from 33 to 233, mostly professional economists, lawyers and accountants, and its annual budget increased to \$84m.

professor of economics. His relations with Mr. Kahn, the President's inflation adviser, are said to be much closer than were Mr. Bosworth's.

mic posts have successfully cleared part of the Senate confirmation process. The Senate Banking Committee yesterday voted unanimously to recommend confirmation of Mr. Paul Volcker as chairman of the Federal Reserve Board.

A mouthful of new names to help the U.S. oil-saving drive

BY DAVID LASCELLES IN NEW YORK

AS THE U.S. tries to digest President Jimmy Carter's bulky iring of energy measures, a couple of them have already ticked to some people's throats.



to be handled by a special 'solar bank' of funds to help householders to convert their homes at subsidised costs.

The biggest criticism which people have of the ESC is that it marks further massive government interference in the marketplace. Although the restrictions Mr. Carter has placed on the ESC suggest he does not want it to take over a large chunk of industry's work in energy development, the corporation will still be the largest single entity in the energy business.

The first, known as ESC, will be a gigantic public corporation with about \$850m to spend on the development of alternative sources of fuel such as coal, lignite, peat, oil shale, and natural gas which lies in unusual geological formations and is hard to extract. Its target will be to replace 2.5m barrels of imported oil by 1990, equivalent to about one-eighth of current consumption.

so it will work with the smaller rather than the major energy companies. But the ESC's role will also be limited. It will be restricted to financing development of production capacity—research will continue to be done by industry and the scientific community—and it will only be able to provide finance by means of loans and grants. It will not have the authority to participate in joint ventures or other forms of equity ownership.

Average outlays over its 10-year life to 1990 will be \$8.8bn a year, which compares with the \$5bn spent last year by Exxon, the largest U.S. energy company.

become a rallying cry for some powerful lobbies too. The EMB's job will be to cut through the red tape of regulations and bureaucracy in speed completion of energy projects which are deemed crucial to meet the 1990 oil-saving targets.

approval of several members of Congress, who have tabled aptly-named 'fast-track' Bills to get it established, or to provide for presidential waivers.

But the very boldness of the EMB idea has predictably triggered a sharp reaction from environmentalists, who see it undermining legislation it took years of vigorous lobbying to get on to the Statute Books.

Others are concerned that standards on safety, building and siting will be by-passed, encouraging an arrogant attitude in the EMB and those riding on its coat-tails.

However, few company chairmen have yet felt bold enough to come out in full support of the plan for fear of what could be a powerful popular reaction.

review its decisions "on an expedited basis," but the only person who can veto an EMB decision will be the President. The aim of the EMB is to cut through the mass of environmental, regulatory and other laws which have held up important projects in the past, and even in some cases led to their abandonment.

They only regret is that Mr. Carter is trying to circumvent regulations when he could have abolished them altogether.

On the other hand, there are signs that Congress is becoming more concerned about the energy crisis and it has already considered several proposals to boost production of synthetic fuels. Mr. Carter could therefore get his EMB and ESC in some shape or form.

Turbine generator contracts divided

BY JOHN LLOYD

DIFFERENCES BETWEEN THE Central Electricity Generating Board and the South of Scotland Electricity Board have led to design contracts for two pairs of turbine generators...

for the Scots system: It is understood that the four-flow machine is between ten and 15 per cent cheaper than the six-flow.

Anti-shipping missile programme approved

BY MICHAEL DONNE

THE MINISTRY OF Defence has formally launched development and production of the P8T, an anti-ship guided missile which might eventually be worth £800m and £350m to British and French industry until the 1990s.

£150m plan for more fast trains

By Lynton McLain

BRITISH RAIL is to seek Government permission to spend £150m on 60 electric advanced passenger trains...

Braniff seeks more transatlantic routes

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BRANIFF AIRWAYS, which flies between Dallas/Fort Worth in Texas and Gatwick, is seeking additional transatlantic routes.

Airports show passenger increase of 7.7%

BY OUR AEROSPACE CORRESPONDENT

THE NUMBER of passengers using the seven airports run by the British Airports Authority rose by 7.7 per cent during June, to nearly 4.1m.

Writ against Egyptian hotelier

A HIGH COURT writ claiming banking and shipping. He FFR 3m (£306,122) in unpaid bills bought the Paris Ritz earlier this year for FFR 53,575m (£9.5m).

June beer output falls

POOR WEATHER led to a fall of almost 1 per cent in beer production for June, according to figures from Brewers Society yesterday.

Warship yards 'must be denationalised within two years'

BY LYNTON MCLAIN

UNLESS THE Government decides to denationalise the Vospers Thornycroft (UK) warship yards by the end of next year the company will not be worth buying...

Shiprepair Cautious reaction to BP takeover

BY LYNTON MCLAIN

FOR THE third time in a month, British Shipbuilders has lost the chief executive of a ship repair yard. Yesterday it announced that Mr. Ian Sutherland, managing director of Falmouth Shiprepair, has resigned.

BY JOHN MAKINSON AND ALAN FRIEDMAN

BRITISH COMPANIES have reacted in a cautious manner to news of the nationalisation of BP interests in Nigeria, amid worries that BP could be a barbing of things to come.

Tax relief on more business costs urged

BY DAVID FREUD

A WIDE range of business costs should become tax allowable for the first time, says an Inland Revenue consultative document issued yesterday.

£3m aid for Corby

THE GOVERNMENT has promised £3m to attract new industry to Corby where the threatened halt of steel-making has put more than 6,000 jobs at risk.

Reject Anglo-U.S. court pact, insurers advise

BY ERIC SHORT

A PROPOSED Anglo-U.S. agreement on legal damages offers no benefit to British business or to British citizens and should be rejected, the British Insurance Association has told the Lord Chancellor's Office.

Disadvantage

The document is a reaction to strong pressure from industry, particularly the Confederation of British Industry, which argued that the way some business expenses are not permitted for tax purposes is an anomaly.

Alvis industrial action 'may lead to lay-offs'

BY ARTHUR SMITH

ALVIS, the profitable BL military vehicle subsidiary, has warned its workforce that continued industrial disruption could endanger jobs.

Plessey accused of training South African military

FINANCIAL TIMES REPORTER

PLESSEY, the UK electronics company, has been training members of the South African Defence Force in Britain, the British Anti-Apartheid Movement claimed yesterday.

Africa. He has teleaxed a delegation of the movement's leaders, including two Labour MPs, to lobby the Commonwealth Conference in Lusaka.

The movement hopes that Commonwealth delegations will protest to Mrs. Margaret Thatcher, the Prime Minister. Plessey is believed to have incorporated a minicomputer, made by the U.S. company Digital Equipment, into its radar surveillance system.

NEW LOW PRICE FOR LEVEL 11 BASIC 16K. TRS-80 Microcomputer. The world's biggest selling personal microcomputer. This is a fantastic opportunity to own a TRS-80 personal microcomputer...

Table with 5 columns: Model, Old Price incl. 15% VAT, New Low Price (less VAT), New Low Price incl. VAT, SAVE. Rows include 26 1001 4K Level I, 26 1120 ROM, 26 1101 16K Upgrade, 26 1003 16K Level I, 26 1004 4K Level II, 26 1006 16K Level II, 26 1140 Expansion Interface.

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Public service pay index rejected

BY ALAN PKE, LABOUR CORRESPONDENT

INDEXATION OF public services manual workers' pay to create an automatic link with national average earnings is rejected by the Clegg comparability commission in its first report published yesterday.



Professor Hugh Clegg

The argument for indexation was put forward in union evidence. But the Commission concluded that an automatic link—a suggestion rejected emphatically by the local authority employers—was unacceptable on two main grounds. The union had argued that the basic rate of the lowest grade local authority and university manual workers and health service ancillaries should be fixed at two-thirds of average made earnings. This position had been achieved by the public service unions during the 1974-75 pay round. They argued that it was the appropriate relationship to maintain.

Table with 3 columns: Local authority, Health service, University, Ambulance men. Rows show percentages and £m values.

Although ambulance men quality for the biggest awards, the commission rejects the union argument that their pay should be settled in relation to the police and fire brigade.

Comparison cannot leave aside the other aspects; nor can it ignore that more appropriate comparisons for some of these other aspects may be found elsewhere than in the police or fire services.

On the general question of the cost of its proposals, the commission says that it believes the full cost will be substantially below the gross earnings figures if managers in the local authorities, health and ambulance services take the opportunity, as we have suggested they should, to tackle inefficient practices intended to boost earnings which can no longer have any justification once our recommendations are in force.

The commission goes on to recommend joint examination by unions and management on a series of other issues including London weighting, long service supplements, the NHS ancillaries' negotiating structure, introduction of a common settlement date for university manuals, the retirement date for ambulance men, and incentive and overtime arrangements in some areas.

It is intended that the workers involved should receive 50 per cent of their comparability awards this month and the remainder next April. The commission suggests that it may be appropriate to pay amounts of £2 or less in full now. The commission says in its report on university technicians, also published yesterday, that it does not at present have the basis for a full comparative assessment of their pay. But there is sufficient reason to justify recommending an increase of 13 per cent at all levels in the grading structure as an interim measure pending a further inquiry.

Print union at Times turns down new deal

BY PHILIP BASSETT, LABOUR STAFF

REPRESENTATIVES of 2,500 members of the National Society of Operative Printers, Graphical and Media Personnel at Times Newspapers yesterday rejected joint union and management proposals in their present form for a resumption of work.

There was doubt about the strength of the rejection, though, with national officials of the union claiming that a chapel representative had put forward a list of alterations to the present proposals and some chapel officials claiming that a complete new package had been drawn up.

NATSOPA London branch officials are now studying the chapel officials' proposals. One branch official said yesterday that the alterations were not fundamental.

Insistence

He said that the chapel officers were insisting that payments of £500 should be made to every member of staff, though the unions and management have agreed that the payments should be based on the normal number of shifts worked per week.

The NATSOPA executive which is due to meet next week is unlikely, however, to recommend acceptance of the proposals when it sends them out for consultation.

proposals when it sends them out for consultation.

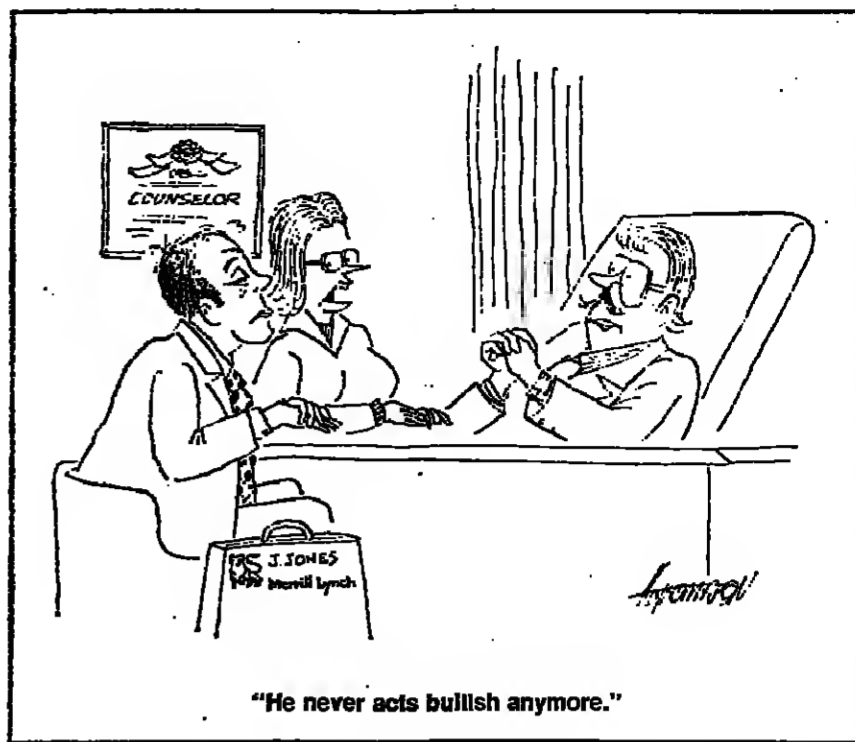
The chapel representatives were also insisting that the decision on whether to accept an agreement should rest with the chapels rather than be taken by national executives, to ensure that chapel feelings were not overridden. Some more militant chapel officials said, though, that the fathers of the chapels had voted unanimously for a completely new set of proposals, rejecting such elements as independent arbitration on any difficulties and joint in-house committees and calling for a return of negotiations conducted in a traditional manner.

NGA move

They said that there would now not be any chapel meetings next week to discuss the joint proposals since the new proposals from the Foes would have to go back to the union general secretaries and to Times Newspapers' management.

The national council of the National Graphical Association yesterday accepted the joint union-management proposals.

The NGA will recommend the formula to its Times Newspapers members at a meeting on Monday.



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Talks halt court sittings

BY OUR LABOUR STAFF

MAGISTRATES court sittings in Merseyside, Hampshire and Sheffield were cancelled yesterday when members of the Association of Magisterial Officers held staff meetings to discuss industrial action in support of their 20-25 per cent pay claim.

Mr. T. Gwyn Davies, chairman of the staff side of the joint negotiating council for magistrates court staff outside London, said the association held protest meetings throughout the country. These had considerable impact in Newcastle, Liverpool, Sheffield, Winchester and Cardiff.

The association's executive committee plans to meet in the next few days. Lightning strike action by the 4,500 members will be considered.

will be considered. Mr. Davies said the association would co-ordinate its action with London staff who have delayed their strike until after their separate pay talks on August 8.

The Home Office said the effects of the action had been patchy.

The management side of the joint negotiating council has offered a deal worth 12 per cent and a reference to the Clegg comparability commission to be implemented in full in January. No further pay talks are planned.

The association's executive committee plans to meet in the next few days. Lightning strike action by the 4,500 members

ACAS drops Laker opinion test

BY PHILIP BASSETT, LABOUR STAFF

The Advisory, Conciliation and Arbitration Service has abandoned a recognition inquiry at Laker Airways after being unable fully to test staff opinion on whether they want to be represented by the Transport and General Workers' Union. Similar inquiries have been abandoned at Grumwick and Michelin. The decision will add force to a warning last week from Mr. Jim Mortimer, the service's chairman, to Mr. James Prior, Employment Secretary, that the service could not satisfactorily operate the present statutory recognition procedure.

Despite every effort on our part, the company declined to co-operate with us in carrying out our statutory duties, the report said. Under the Employment Protection Act, the service must examine staff opinions before deciding whether to recommend recognition of a union. Normally it relies on employers' assistance to provide access to staff or their names and addresses. In this case, the service took the unusual step of advertising to ask Laker employees to fill in a questionnaire on representation. Transport and General officials sharply criticised the company's approach to industrial relations at the union's biennial conference last month. Laker Airways said that it was

pleased at the ACAS decision, which would mean the effective end of the union's attempt to represent the company's cabin staff.

The company had a thriving staff association and it was hoped that would be left as the appropriate body for collective bargaining.

Reckitt staff group in vote to join ASTMS

A SENIOR management staff association at Reckitt and Colman, the chemicals and food group, has voted to join the 470,000-strong Association of Scientific, Technical and Managerial Staffs.

The Management Association of Reckitt and Colman has 650 members working in research, sales, production and computer areas as well as at the com-

pany's headquarters at Chiswick. The ballot result announced last night was 71 per cent in favour of becoming a section of ASTMS. The staff association would retain autonomy within ASTMS.

Mr. Roger Lyons, ASTMS national officer, said several other staff associations were in negotiation to join the union. Talks had started with the Reckitt association last autumn.

Bid to end ore terminal dispute

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE MOST concerted effort so far will be made today to resolve the inter-union dispute afflicting British Steel's £100m Hunterston ore terminal on the Clyde.

Mr. Alex Kitson, executive officer of the Transport and General Workers' Union, will meet Mr. Bill Sims, general secretary of the Iron and Steel Trades Confederation, at the terminal.

They hope to work out a compromise on whether docked or redundant steel workers should fill the 50 new jobs that the terminal will provide.

The conflict between the two unions has kept the terminal idle since it was completed last spring. The only ship to call there has been the Royal Yacht

Boyd attacks engineering employers

By Our Labour Staff

THE ENGINEERING Employers' Federation has been accused of applying double standards between its own members and the Amalgamated Union of Engineering Workers over the current dispute for an 880-week craft basic rate. Sir John Boyd, the union's general secretary, writing in the AUEW's journal yesterday, said the EEF took a disproportionate amount of wealth out of industry in the form of profits, dividends, directors' salaries and other emoluments.

He said the Government's proposals to extend the conscience clause over people not wishing to join a union would throw open the chance for opportunists to seek heavy financial compensation from individual unions.

Union considers 15% offer for ITV workers

BY GARETH GRIFFITHS, LABOUR STAFF

AN ESTIMATED 15 per cent pay deal for staff at the 15 independent television companies will today be considered by the television committee of the Association of Cinematograph, Television and Allied Trades.

The union has already sent out details of the deal to branches, but without a recommendation. Negotiators failed to agree on the offer made on Monday by the Independent Television Companies Association.

Mr. Roy Lockett, ACTT deputy general secretary, could not comment while the offer was being discussed on whether surprise action would continue this week. He said the decision to take the action was made locally.

The two other unions involved in the ITV pay round, the Electrical and Plumbing Trades Union and the National Association of Television, Theatrical and Kine Employees, have both recommended acceptance of 15 per cent offer.

What does the future hold for Korea?

Will the development momentum be maintained? What are the problems and potentialities of doing business in Korea? What is the view of the world financial markets on the outlook for the developing industrial countries?

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These and many other questions will be examined and discussed at 'Korea in the 1980's' a conference to be arranged in Seoul on September 12 & 13, 1979 by the Financial Times and the Korean Traders Association.

If you, or your company, have interests in Korea, 'Korea in the 1980's' will give you a most useful insight into the future of this important area.

Among the speakers will be Minister Hyon-Hwack Shin, Deputy Prime Minister and Minister of Economic Planning, Seoul; Sir Roy Denman KCB, CMG, Director General, External

For full details of the agenda, and registration procedure, complete and return the coupon below without delay.

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Union considers 15% offer for ITV workers

Mr. Roy Lockett, ACTT deputy general secretary, could not comment while the offer was being discussed on whether surprise action would continue this week. He said the decision to take the action was made locally. The two other unions involved in the ITV pay round, the Electrical and Plumbing Trades Union and the National Association of Television, Theatrical and Kine Employees, have both recommended acceptance of 15 per cent offer.

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A FINANCIAL TIMES CONFERENCE

# ABM: all the right notes

Michael Thompson-Noel profiles Allen Brady & Marsh

EARLIER THIS year, the irrepressible Peter Marsh, chairman of Allen Brady & Marsh, organised a champagne breakfast party to mark the 50th birthday of his partner, Rod Allen. Between them they own the bulk of the shares in what is Britain's fastest-growing advertising agency. It was the sort of party for which the advertising business is famous. The entire creative department was on hand. Tables groaned with birthday cake. Gifts were presented. And then, on the dot of nine, the Royal Artillery Band, no less, drew up in the street below and launched into a selection of the advertising songs and jingles—composed by Rod Allen—that have helped propel ABM into the list of top ten London agencies.

**Peter Marsh:  
charm and  
bombast  
conceal one of  
the shrewdest  
minds in  
advertising**



the Midland marks "the crossing of a Rubicon." The bank went out of its way last week to say that it had not only been impressed by the agency's creative proposals but by the depth and application of its market research and by its grasp of market conditions.

We have no plans for going public. We have never used our profits to buy growth by acquisition. They have consistently been invested in our work and in our staff (now 26 in number, compared with 32 in February, 1974).

As for the jingles, what could be more British? "Coach parties always sing," says Peter Marsh, "and lots of people in pubs like singing. We're plugging into that tradition. And a catchy tune can float ideas into people's minds in an easily digested way." (That's true, although when this correspondent once tried to order a beer at Heathrow by singing "The Pint that Thinks it's a Quart," he received a very old-fashioned look.)

# Planning's big one-day event

BY WINSTON FLETCHER

IF A PICTURE—as every raw director negotiating a salary hike will vehemently insist—is worth a thousand words, then these days at advertising conferences a case history is worth a thousand theories. Advertisers seem to have suddenly discovered the Harvard Business School Method, and are embracing it with fervour.

At last week's gathering on the high-profile subject of account planning—trendily called a one-day-event-to-differentiate it from old-fashioned conferences and seminars—the proceedings were littered with case histories: for Brooke Bond PG Tips, Black Magic, Guinness, Fiat, Oxo, Campari, Krona, margarine and the International Wool Secretariat, to mention but a few.

Indubitably the case histories, especially Collett, Dickenson and Pearce's lengthy Fiat exposition, were fascinating and educative. Above all, they demonstrated how complex, subtle and uncertain are the ways in which advertising works (and often fails). J.W.'s Judie Lannon, for example, disclosed that Guinness's efforts to attract younger female drinkers in the early 1970s proved largely unsuccessful because the advertisements had sought to make the dark brown stout fashionable, and had thus appealed to fashion-conscious females who proved, predictably, fickle in their tastes.

Guinness's current women's magazine campaign, which positions the brand as the beer for women with character and individuality, appears to be achieving rather more success.

They did not, unfortunately, throw much light on the supposed theme of the one-day event: the way that account planning works. None of the campaign histories deployed analytic, organisational or methodological techniques that were not available—and in common use—20 years ago, long before account planning, in its currently accepted sense, was invented.

Clearly this division of the account executive's traditional role has much to commend it. It introduces, into the process of advertising creation, an individual independent opinion of the client's personal prejudices, and of the daily burly to creative corner-cutting.

Account planners, as event-chairman Charles Channon stressed, represent a particular specialisation of function within advertising agencies: a fine tuning in agency organisation. The account executive's established role has been hijacked. Within agencies employing planners, the account executive has become a pure contact man whose job is merely to cope with clients and act as a glorified traffic and progress chaser.

Like most advantages, regrettably, the account planning system also entails major disadvantages. First, it is inevitably expensive and rather slow. (One of its intrinsic purposes being to make account executives stop and think before they act.) Thus it is far more useful and relevant to long-term brand positioning work than to fast-moving retail price-dealing, for example.

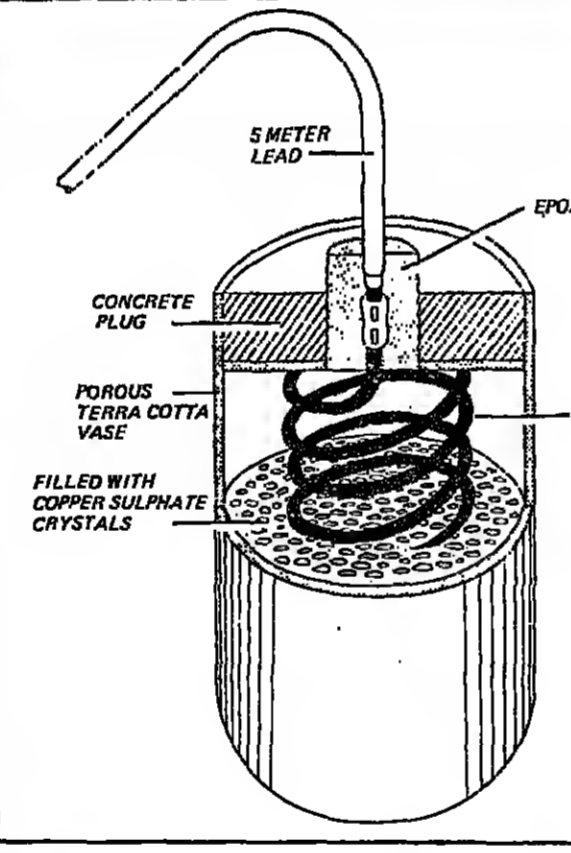
# Technical News

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

## PROCESSING Copes with the vapours

PROBLEM VAPOURS that are frequently encountered in the chemical, pharmaceutical and other process industries can be handled without causing water pollution using a vacuum pump with a "one-through" sealing fluid system from Busch (UK), 1 Bensham Lane, Croydon, Surrey CR0 2RQ (01-689 2545).

This, together with control of the pump operating temperature, prevents the condensation of process vapours in the pump, including those which can condense at temperatures as high as 120 deg C.



## Helps to control rust

UNDER DEVELOPMENT in Italy for some years, copper/copper sulphate reference electrodes are being marketed all over the world by MAPEL (Metal and Pipeline Endurance) of Stotfold, Herts, UK.

## CRYOGENICS Handling liquid helium

JOINT OPERATION between BOC and Parsons Peebles, Edinburgh, Lothian, has proved that liquid helium can be delivered and used in much greater quantities than previously.

## CONFERENCES Electronics in vehicles

IT IS now generally agreed in engineering circles that the inevitable 'dumbing down' of the world's oil supplies will force professional engineers and technicians everywhere with extraordinary problems to tackle in the next few decades.

## INSTRUMENTS Finds vacuum system leaks easily

VARIAN claims that in the 936-40 mass spectrometer leak detector first introduced it has the smallest, most compact high sensitivity instrument of its kind.

## MATERIALS Makes good road base

COLLIERY WASTE is being converted by the Robert Brett Group of Canterbury into a road building material.

## COMPONENTS Fire alarm call point

A HEAVY duty weatherproof pushbutton mainly intended for use as a fire alarm call point has been introduced by GP-Elliott Electronic Systems.

## LITERATURE Compressed air manual

SUBSTANTIALLY enlarged and updated since its 1975 edition is a 600-page manual for users of compressed air equipment published by Atlas Copco (Great Britain), PO Box 78, Swallowdale Lane, Hemel Hempstead, Herts (0442 61201).

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## TEXTILES More efficient looms

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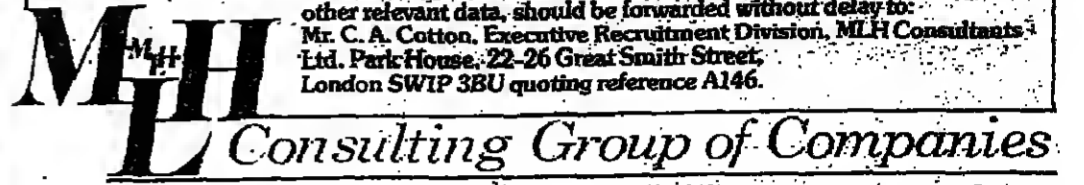
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ALOMBAR

The risk must carry rewards

BY KENNETH MARSTON

LET LOOSE a pair of academics and a welter of statistics and you may well be on the receiving end of some apparently irrefutable conclusions which defy rhyme and reason.

It commissioned a study of the risks and returns of investment in the Australian mining industry by two professors of the Australian Graduate School of Management in Sydney. The purpose of the exercise was to clear up misconceptions on the subject by those who look upon the industry generally as a goldmine.

The professors did their work with painstaking care. Minutely they calculated the performance of every share traded on the Sydney mining board at any time over a 253-month period running from January 31, 1958, to February 28, 1979.

They collected and verified or not less than 2000 share prices and calculated the month-by-month history of returns on each share. This involved the painstaking task of adjusting for dividends, capital gains/losses, the value of scrip issues and rights issues and adjustments for capital contributions.

Then they constructed "a market-wide index of returns designed to correctly reflect the experience of all mining equities taken together." These 10 years showed that over the 21 years the index had risen by 1,123.50 per cent.

And what did this prove? The answer was that the annual rate of return on Australian mining investments over the 21 year period was no more than 11.9 per cent—virtually the same as that for industrial and commercial equities which carry only about half the risk element that attaches to mining issues.

Nobody doubts that, despite this, the mining industry will continue to soldier on as it has always done or that its winners will reap high rewards.

But a CRA, which is heading for a forecast "healthy increase" in profits this year thanks in the better metal prices, has not raised the huge sums of risk capital required for the next generation of mines which will have a lead time to production of anything up to nine years.

Fortunately, attitudes of some governments are beginning to change and not only in regard to taxation. Australia, for example, has snatched what has been regarded as a hostile approach to overseas companies investing in her natural resources.

THE FRENCH trawler Cap Caval was boarded while it was using nets with a mesh smaller than allowed by British regulations.

British regulations allow the carrying of small-mesh nets for taking certain unregulated species such as prawns on condition that the protected species — white fish in this instance — do not represent more than one fifth of the total catch.

The smallness of the fine in relation to the value of the white fish caught makes it obvious that no particular interest is required for transgressing the British fishing regulations.

Warree Place chestnut brushed aside his stable companion, Buckskin when asked to go at the two-furlong marker. If Le Moss reproduces they form he will account for Nicholas Bili.

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Commission out to net all the powers

July 3 1979 (cases 155-204/78) in favour of the later date. Viewed as a dispute about the conservation of fish stocks this litigation appears utterly ludicrous and nonsensical.

It is undisputed that the Commission has full power to adopt measures for the conservation of fisheries stocks as well as entering into international agreements with third countries.

BUSINESS AND THE COURTS

By A. H. HERMANN, Legal Correspondent. Of fisheries stocks as well as entering into international agreements with third countries. Since the Hague resolution of 1971 the Commission has introduced such measures without having first obtained the Commission's approval.

Another point of dispute between the Commission and member states was (until recently) whether the time limit for unilateral fisheries measures defined in the accession treaties as extending to the end of the year after the entry of Britain, Denmark and Ireland until the beginning of 1978 or end of 1978.

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Marathon Gold can foil Irish

A SMALL but select field of seven runners goes to post for today's Lanson Champagne Stakes and it will be a shock if the winner is not from Marathon Gold.

RACING BY DOMINIC WIGAN

when scoring at Leopardstown on July 14, Johnny O'Day undervalued several previous winners in the Hennessy VSP Stakes over seven furlongs with plenty in hand of market rival, Nazwa.

SCOTLAND

10.30 am Spindermid, 11.00 Choppal Spindermid, 12.15 am 11.00 am Spindermid, 12.15 am 11.00 am Spindermid.

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10.30 am Spindermid, 11.00 Choppal Spindermid, 12.15 am 11.00 am Spindermid, 12.15 am 11.00 am Spindermid.

Wales

10.30 am Spindermid, 11.00 Choppal Spindermid, 12.15 am 11.00 am Spindermid, 12.15 am 11.00 am Spindermid.

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Wales

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TV Radio

Indicates programmes in black and white. BBC 1 6.40-7.55 am Open University

6.40-7.55 am Open University, 7.56-9.05 am Open University, 9.06-10.15 am Open University.

F.T. CROSSWORD PUZZLE No. 4037

ACROSS: 1 Bird with beast, tambling and ludicrous (14-34), 2 28 Forgive fellow after fish (8).

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ENTERTAINMENT GUIDE

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Albert Hall/Radio 3

Paroles tissées

by MAX LOPPERT

Excellent from planning. Tuesday night's account of Lutoslawski's song setting, Paroles tissées (1965), for tenor and orchestra, followed immediately on the Polish composer's newer piece for voice and orchestra, Les Espaces du sommeil, given its British premiere on Monday. Hearing the two in close proximity and conjunction was at the very least a great pleasure for both are beautifully made, heard, and delivered; competitors; and also a respite for in their differences and similarities, the pair afforded a clear picture of the kind of composer Lutoslawski is, and what makes his music so distinctive and so appealing.

Wigmore Hall

Stuttgart Trio

by DAVID MURRAY

On Tuesday the Stuttgart Piano Trio snubbed energetic, efficient, sensible, more might have been expected, but it was a close and snappy evening. Though they sound excellently matched in principle, Leonard at the piano (with his lid fully open, probably a mistake) over-balanced her male colleagues throughout most of the first half of the programme. The composer's sense of humour is revealed in the outer movements; with the famous Largo assai, too thick and ponderous to capture its eerie spirit; in a more familiar Schubert. His grand B-flat Trio players would disclose much more of what the music holds.

South Bank Summer Music 1979

The eleventh season of South Bank Summer Music and the second under the artistic direction of Pinchas Zukerman begins on Sunday, August 5, through to Sunday, August 26. This year the emphasis is on Mozart and French music from 1830, while Pinchas Zukerman himself will appear both as soloist and conductor on a number of occasions.



Jessica Tandy and Hume Cronyn

Lyric

The Gin Game

by B. A. YOUNG

Connoisseurs of acting must make their way at once to the Lyric to see Hume Cronyn and Jessica Tandy in D. L. Coburn's The Gin Game. They play two old people in a run-down old folk's home. As they bicker over their increasingly quarrelsome games of gin rummy they traverse the whole spectrum of human emotion — with one important omission, love. Hardly a glimmer of affection is detectable all evening.

Buxton Opera House

Lucia di Lammermoor

by RONALD CRICHTON

The Buxton Festival is reborn. In the days of Lilian Baylis and Tyrone Guthrie the programmes were based on drama. The Opera House was used but not for opera. Now that building, unlike some that hear or used to bear the name in those islands capable of bousung an opera company, will have a spell of glory each summer with opera as the main feature and drama and other attractions as well. Two weeks only this year but many hereafter. Each festival will have a theme — a well-known writer and his influence. This year's cultural clothes-prop is Scott, and the opera Donizetti's Lucia di Lammermoor.

La Rochelle—2

Last rites

by DOMINIC GILL

This was, as I wrote last week, Claude Samuel's last season of Rencontres Internationales d'Art Contemporain at La Rochelle. Founding such a festival may not be easy; but keeping it running means in France steering a tricky course indeed through a tangle of conflicting interests and loyalties, and ideological crossed lines.

country at last Monday's Primm, nervously sung by the baritone Michel Piquemal; and a decent but lacklustre performance of Bartok's Music for strings, percussion and celesta. Disappointing: for we were all of us, after a week of experimental music-theatre, looking forward to hearing the familiar sound of a symphony orchestra again—and ready to forgive much, except dullness of spirit.

The performers' competition, formerly the Olivier Messiaen Piano Competition, had been expanded when M. Samuel moved from Royan to La Rochelle to embrace other instruments than the piano. Last year it was for the flute, and this year once again for the piano—although it suffered nearly the same fate that it had in 1977 during a festival devoted to a major John Cage retrospective, when it had attracted only one entrant, a Japanese boy of 17. (Cage, of course, had been delighted, not caring a great deal for the idea of competitions in any case; and had put the whole happening down to his own benign Zen influence.) This year there were three candidates, none of any more than the palest promise— a patient jury heard some painful performances, one or two that were decent, none that was outstanding, and awarded eventually only one second and one third prize.

Beatrix Lehmann

Beatrix Lehmann, who died on Tuesday at the age of 76, was an actress of great versatility quite impossible to categorise. It was not always easy to remember that the baritone-voiced lady, whose dignity in such parts as Aase in Peer Gynt at Chichester in 1970, or the Duchess of Richmond in Richard III at Stratford two years later, was always seasoned with a sparkle of humour, twice understudied Tallulah Bankhead and was so apparently immortal that she played Viola, Isabella and Portia at Stratford in her middle 40s.

Richard Briers returns to West End

Richard Briers and Paul Eddington are to star in Middle-Age Spread, a new play by Roger Hall which will open in London in late October. The play has a short-prior-to-London tour beginning at the Theatre Royal, Brighton on September 17. Following Brighton, the play will then visit the Alexandra Theatre, Birmingham, for the week of September 24 and the Richmond Theatre for the week of October 1.

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Table with columns: Income Data, 1978, 1977. Rows: Sales, Earnings before special adjustments and taxes, Taxes, Repeated earnings, Per share, Adjusted net earnings, Per share, Other Data, Order bookings, Order backlog at year-end, Investments in property, plant and equipment, Employees at year-end, Dividend per share.

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Country Cousin

Frankie Howerd

by MICHAEL COVENEY

If you wish to have dinner, see a show and not go to the Talk of the Town, London has little else to offer, and little better, than the Country Cousin at the Fulham end of the King's Road. For two years, these columns have recorded the venue's success story in attracting such major international artists as Dolores Gray, Gotham, Charles Pierce and, for his first London cabaret appearance since the last days of the Establishment Club in 1964, that morose nonpareil, Frankie Howerd.

Table with columns: Annual Report Highlights, 1978, 1977. Rows: Income Data, Sales, Earnings before special adjustments and taxes, Taxes, Repeated earnings, Per share, Adjusted net earnings, Per share, Other Data, Order bookings, Order backlog at year-end, Investments in property, plant and equipment, Employees at year-end, Dividend per share.





Dixons Photo. ahead to £10.7m and hoists dividend

A 12.6 per cent profits increase and a sharply higher dividend...

HIGHLIGHTS

British Petroleum's shares slipped yesterday in the aftermath of the Nigerian Government's nationalisation...

A. Russell £309,000 higher

WITH AN improvement from £190,000 to £288,000 in the second half, Alexander Russell announces pre-tax profits of £309,000...

to £402,590. The interim dividend is being stepped up by 1p to 4p per 25p share...

The company has arranged to repay U.S. \$600,000 of its foreign currency loan...

Gross income for the half year came to £536,868 (£469,289); and net revenue was up from £227,607 to £270,821...

Cableform down on forecast

ALTHOUGH recovering to £372,589 in the second half, profits of Cableform Group did not reach the level anticipated...

Yeoman Trust progress: loan repayment

FOR the six months ended June 30, 1979, Yeoman Investment Trust has increased its profit before tax from £955,607...

Bromsgrove jumps to record £0.3m

Despite turnover down from £3.41m to £3.33m, pre-tax profits of Bromsgrove Casting and Machining jumped from £167,162 to a record £304,771...

See Lex



Mr. Stanley Kalms, chairman of Dixons Photographic which topped £10m last year.

Martin Ford ahead to £0.7m at midway

AFTER A confident forecast at the year-end, Martin Ford, the women's wear group, raised taxable profits from £553,837 to £689,326 in the half-year to June 2, 1979...

Courts to maintain progress

Maintained progress in the current year for Courts (Furnishers) is foreseen by Mr. E. G. Cohen, the chairman, in his annual statement.

RESULTS AND ACCOUNTS IN BRIEF

ROSGILL HOLDINGS (Ladies' and children's clothing retailer)—Results for May 28, 1979 year with prospects...

BABCOCK/KEELER

Babcock and Wilcox announces that the acquisition of Keeler Corporation was approved by shareholders...

HOVERINGHAM

Hoveringham Group has issued 419,788 restricted voting ordinary shares as part consideration for the acquisition of Humberstone Waste Disposals...

DIVIDENDS ANNOUNCED

Table with columns: Company Name, Current payment, Date of payment, Correc. Total, Total last year.

Dividends shown pence per share net except where otherwise stated. \*Equivalent after allowing for scrip issue. †On capital increased by rights and/or acquisition issues. ‡Partly to reduce disparity. §As forecast.

CITY INVESTING FINANCE N.V.

In accordance with the provisions of the Notes, notice is hereby given that the rate of interest for the six month period from August 1, 1979 through January 31, 1980 has been established at 11 1/2% per annum.

Shell Transport pays £300m lump sum to shareholders

Shell Transport and Trading is to pay £300m. as a lump sum to shareholders on October 1. The payment had been delayed by statutory controls, ended two days ago.

As a special net interim dividend of 7.154p per share to those on the register on August 24. UK residents are entitled to a tax credit equal to the amount of advance corporation tax...

Shell initially thought of paying the postponed dividends over a period, once statutory controls were lifted. But the oil company decided on a single payment in the light of the changes in personal taxation and the investment income surcharge made in the recent Finance Act.

Waring & Gilloil improves by some 40% to pass £5m mark

FOR the year to March 31, 1979 Waring & Gilloil (Holdings) has achieved record profits. At the pre-tax level the advance was around 40 per cent to £5.03m, even after transferring £341,175 against £34,456 to deferred profit reserve and charging for the first time, depreciation on short leases of £169,650.

The clothing division, which gave a profit net of £195,137 (£117,970) for the year, is still experiencing difficult trading conditions in the top end of the furnishings market.

Against a background of a modest national increase in furniture trading generally for the year, the company boosted its own sales by a third. This increase includes a "significant" contribution from the newly-acquired Hartley chain and lifts total carpet share to roughly a quarter of the furniture division's profits.

Recovery trend at Reed Paper

FOR THE second quarter of 1979, Reed Paper, Canadian subsidiary of Reed International, reports a turnover of \$7.48m earnings before extraordinary items. This left six months earnings at \$11.7m compared with a \$6.98m deficit on sales up from \$109.92m to \$160.01m.

look beyond 1979 is somewhat pessimistic due to the expected economic slowdown in the U.S. Mr. MacIver also expresses concern about the company's reliance on the low level of the Canadian dollar.

The market was pleased with Waring & Gilloil's full-year results, which were not affected by the slowdown in national furniture demand in the second half.

Halma looks for record

Profits for the first quarter were ahead of those for last year, Mr. David Barber, chairman of Halma, told the annual meeting.

SHARE STAKES

Second City Properties—Control Securities has purchased a further 205,000 ordinary shares bringing total to 1,105,000 (8.02 per cent).

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A year of consolidation

- Record sales and profit
Higher dividend

The year ended 31st March, 1979 showed increased activity and profitability from manufacturing interests - merchants and retailers made satisfactory progress - improved results from overseas. Profits for first quarter of current year substantially better than last year.

SUMMARY OF RESULTS for year ended March 31, 1979. Table with columns: 1979, 1978. Rows: Turnover, Group Profit before Taxation, Retained Profit plus Depreciation, Ordinary Shareholders Funds, Earnings per Ordinary Share\*, Dividend per Ordinary Share.

Britain's Leading Timber Group. Montague L Meyer Limited. Villiers House 41-47 Strand London WC2N 5JG Telephone 01-839 7766. Timber & sheet material distributors. Builders Merchants and retailers. Manufacturers in related fields.

NatWest Registrars Department. National Westminster Bank Limited has been appointed Registrar of DUPOIT LIMITED. All documents for registration and correspondence should in future be sent to: National Westminster Bank Limited, Registrar's Department, PO Box No 82, 37 Broad Street, Bristol BS99 7NH. Telephone Bristol (STD Code 0272) Register enquiries 290711 Other matters 297144.

Baring Brothers & Co., Limited. Statement for the 6 months ended 30th June 1979. The Directors announce that the unaudited profit for the six months ended 30th June 1979 was higher than that for the corresponding period in 1978. 1st August 1979.

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## First quarter fall for Powell Duffryn

FIRST QUARTER profits of Powell Duffryn are down, Mr. C. S. Aston, chairman, told the annual meeting. He said this was due to the poor results of the engineering division which suffered a loss in April principally because of the Hymac strike which ended early in May. The results have also been affected by high interest rates, added Mr. Aston.

But profits of the remaining activities, particularly shipping and fuel distribution, showed a satisfactory improvement over last year.

Taxable profits of the group fell last year from £15.01m to £12.18m.

Mr. Aston said they have signed agreements to purchase an investment in IBH Holding

AG of Mainz, West Germany and the sale of Hymac to IBH at the end of 1979.

"We have considered for some time that it is in the long-term interests of Powell Duffryn and the industry that some rationalisation should take place in Europe among construction equipment manufacturers."

The group has also signed the agreement to buy Southwest Pipe and Supply Company of Phoenix, Arizona, and its subsidiary National Pump Company which produces deep well water pumps for irrigation. "Not only is this Powell Duffryn's first engineering acquisition in the U.S. but it is entry into a field which we believe has significant growth potential," added the chairman.

## Improvement continues at Morgan Edwards

AFTER the midway recovery from a £116,058 loss to a profit of £5,000, Morgan Edwards finished the year to March 31, 1979, with a taxable surplus of £30,000, against a £492,000 loss. This includes losses from discontinued operations of £77,000, compared with £247,000.

The directors of the food distributor say the improvement in the company's trading position has continued into the current year. Although there is again no dividend, they expect to resume payments in 1979-80.

## Second-half recovery at Brady Inds.

A SHARP second-half recovery meant that taxable profits of Brady Industries, the door and lift-making group, surged from £13,125 to £408,154 in the year to March 31, 1979.

And with the addition this time of £43,756 deferred tax release on stock relief of earlier years and £43,044 extraordinary credit, the profit was pushed up to £890,356 before tax.

## Now an Australian coal headache for BP

BY KENNETH MARSTON, MINING EDITOR

WHILE SMARTING from the news of the nationalisation of its Nigerian oil interests, British Petroleum has suffered a sharp disappointment with the progress of its £213m purchase of Clutha Development, one of Australia's leading coal producers.

James Forth reports from Sydney that the New South Wales coal operation has encountered a severe setback in the first half of this year. Earnings have slumped to A\$487,000 (£243,500) from A\$822m in the same period of last year.

The main cause of the setback was a seven-week dock strike at Port Kembla and Balmain which reduced revenue by A\$16.5m to about A\$88m. As a direct result of the disruptions, demurrage on delayed ships was A\$1.84m—two-and-a-half-times the charge in the previous year.

Conestoga is still being experienced at export outlets, despite the diversion of the coal through the port of Newcastle. Clutha directors believe it is unlikely that lost tonnage will be recovered this year.

The Australian coal export levy has had a much greater impact because of the reduced earnings, A\$4.8m compared with A\$5.4m in the prosperous first half of 1978.

Not surprisingly, Clutha directors have attacked the Federal Government's decision to continue the levy beyond the earlier promised cut-off date of June 30, 1979.

They said the Government's turnaround not only undermined the base on which to plan operations but also would have a "disastrous" effect on the profitability of the coal industry in general. If the industry was to remain economic, particularly the underground mines, in NSW, the Government should re-think its decision, they added.

Clutha is the second NSW collier to report a sharp earnings setback. The Gold Fields group's Bellambi last week reported a pre-tax loss of A\$2.8m which was attributed to port stoppages and maintenance of the export levy, which cost Bellambi A\$4.5m.

BP bought Clutha from the Daniel K Ludwig group in two steps (early in 1977 and in mid-1978).

Last week it was announced that BP had Australia's Western Mining Corporation an option to acquire a 50 per cent stake in Clutha as part of a deal under which BP is to obtain a 40 per cent interest in WMC's promising, and huge, Olympic Dam copper-uranium project at Roxby Downs in South Australia.

## FINANCING FOR PINSON PROJECT

The Royal Bank of Canada has committed itself to a C\$10m (£3.8m) project loan and C\$25m over-ru financing for the Pinson open-pit gold project in Nevada.

This is subject to the sponsor spending C\$3m. They have already spent C\$1m. The sponsors are Lacana Mining, Rayrock Resources and United States Mines plus the vendors of the property.

The project, which has reserves of 1.4m tonnes grading 0.15 oz. gold per tonne and 2m tonnes of 6.08 oz. grade, is looked upon as a 1,000 tonnes per day operation starting next year.

The sponsors say that with gold at U.S. \$225 the bank loan would be repaid in less than three years.

## Philippines copper profits

THE LATEST news of sharply increased profits from the copper producers comes from those in the Philippines. Our Manila correspondent reports that Atlas Consolidated Mining and Development has earned Pesos 147.1m (£3.7m) in first half 1979 compared with only P10.5m a year ago.

Atlas is the Philippines' biggest producer of copper with three mine-mill facilities in Cebu Province. Apart from higher copper prices, the group has also enjoyed good returns on its gold and silver by-products in the past six months.

Next in size is the Marcopper Mining Corporation operating on Marinduque Island. The company's first half profits have expanded to P115.4m from P92.7m in the same period of 1978.

In the latest period, Marcopper exports fetched average prices of 88 cents per lb. for copper and \$245 per oz. for gold.

These compare with respective prices of 87 cents and \$178 in first half 1978.

Finally, Marinduque Mining and Industrial Corporation has turned its profit for the first six months of this year to P65.5m. This makes a dramatic turn-around from the same period of last year when there was a loss of P68.0m.

In addition to its copper mining activities, Marinduque is also a producer of nickel, cement and opium.

share capital of Jessel Trust has been adjourned. A further circular is to be sent to shareholders shortly.

## Trio rejects Saint Piran election bid

Mr. Max Lewinsohn and his colleagues Mr. R. H. Morley and Mr. F. T. Seow have changed their minds about trying to get on to the board of Saint Piran at the next annual meeting.

Shareholders with over 5 per cent of the Saint Piran equity put their names forward on July 26 to be elected as directors at the annual meeting in September or October. This seemed to herald a re-run of the trio's unsuccessful battle to get on the board in April.

But Mr. Lewinsohn said yesterday that he and his colleagues would not stand for election after all. On further reflection they had decided they could further their campaign to "restore the image and standing of the company" better from the outside.

Directors might hinder their cause rather than help it, he said. They might be precluded from revealing information about the company and raising matters at AGNs as directors. It might also be difficult to continue contact with authorities.

The danger of failing to win places on the board was not a major factor in their decision, he added.

## Good first half at Saudi Intl. Bank

Shareholders' funds in Saudi International Bank rose during the first six months of 1979 from £27.76m to £40.91m and total assets from £457.66m to £506.49m.

The increase in shareholders' funds was due to earnings generated in the six month period and to an increase in the paid up capital. Of this increase £12.23m was subscribed for in cash by

## Mixed start for Culter Guard Bridge

In the current year, profits to date at Culter Guard Bridge Holdings were below budget, but ahead of the corresponding figures for last year, Mr. Roger Fleming, the chairman, said at the annual meeting. "This was a position which management was striving to maintain," he added.

Large "arising" from the energy crisis there were many uncertainties which made it particularly difficult to forecast the outcome of the current year, members were told.

As an importer of woodpulp the group stood to benefit from the strength of sterling, he stated. Although it would be difficult to maintain exports at the same volume as last year, the balance it would be better, with a strong currency and would seek to overcome export problems through increased productivity.

## Smallshaw ahead to £155,000

Increased profits and restoration of the interim dividend are announced by R. Smallshaw (Knitwear) in the half year to March 31, 1979.

Taxable profits went up from £130,000 to £155,000 on turnover ahead from £2.12m to £2.66m. The net interim dividend per 10p share is 0.5p. Last year the group paid an adjusted total of 1.25p on taxable profits of £244,881.

The directors say the year started moderately well with sales of fully-fashioned garment being particularly good. But once again low demand and poor spring weather hit Castle Knitwear.

The Board adds that it is doubtful whether this company will make any significant contribution to group profits this year.

A determined effort is being made to improve its profitability. Tax for the half year takes £30,600 (£67,600) and after-tax profits come out at £74,400, against £92,400. The dividend absorbs £12,500.

## Weber Hldgs. over £65,000

Improved pre-tax revenue of £65,384, against £33,399, is shown by Weber Holdings, investment and property holding company, for the first half of 1979. Tax was up from £25,500 to £30,883 for earnings per 50p share 1.42p higher at 7.42p.

The net interim dividend is raised to 2p (1.75p) and the Board expects to pay a final of not less than 7.5p. Last time a 10.75p total was paid from pre-tax revenue of £130,000. The company has close status.

## WINDING-UP ORDERS

Orders for the compulsory winding up of L. J. Waters and Elmanor were made by Deputy Judge Mr. Michael Wheeler, QC, in the High Court yesterday.

A compulsory order against Elts and Co. Building Services, made on July 30, was rescinded and the petition dismissed by consent.

## Souza Cruz well ahead

Souza Cruz, the Brazilian tobacco manufacturer, in which British American Tobacco holds a majority stake, turns in Cr 1.3bn (£50m) net profit for the first half of 1979. This compares with a net profit of Cr 748m (£28.6m) for the first half of 1978—a 75 per cent increase.

Turnover was Cr 31.23bn (£1.2bn), against Cr 22.8bn (£875m).

The company distributed dividends of Cr 600m (£23.5m) in the first semester of 1979, compared with Cr 438m (£16.7m) — a 40 per cent increase that falls short of the 12-monthly inflation rate of 45 per cent.

## LONRHO/DUNFORD AND ELLIOTT

At the adjourned meetings of the holders of the 8 per cent unsecured loan stock 1980-85 and

## JESSEL TRUST

An application to the High Court for an approval of the scheme of arrangement of the

Weekly net asset value on July 30, 1979	Tokyo Pacific Holdings N.V.	U.S. \$67.12	Tokyo Pacific Holdings (Seaboard) N.V.	U.S. \$48.90
Listed on the Amsterdam Stock Exchange				
Information: Pierson, Holding & Pierson HV Hoesvraagt 214, Amsterdam.				

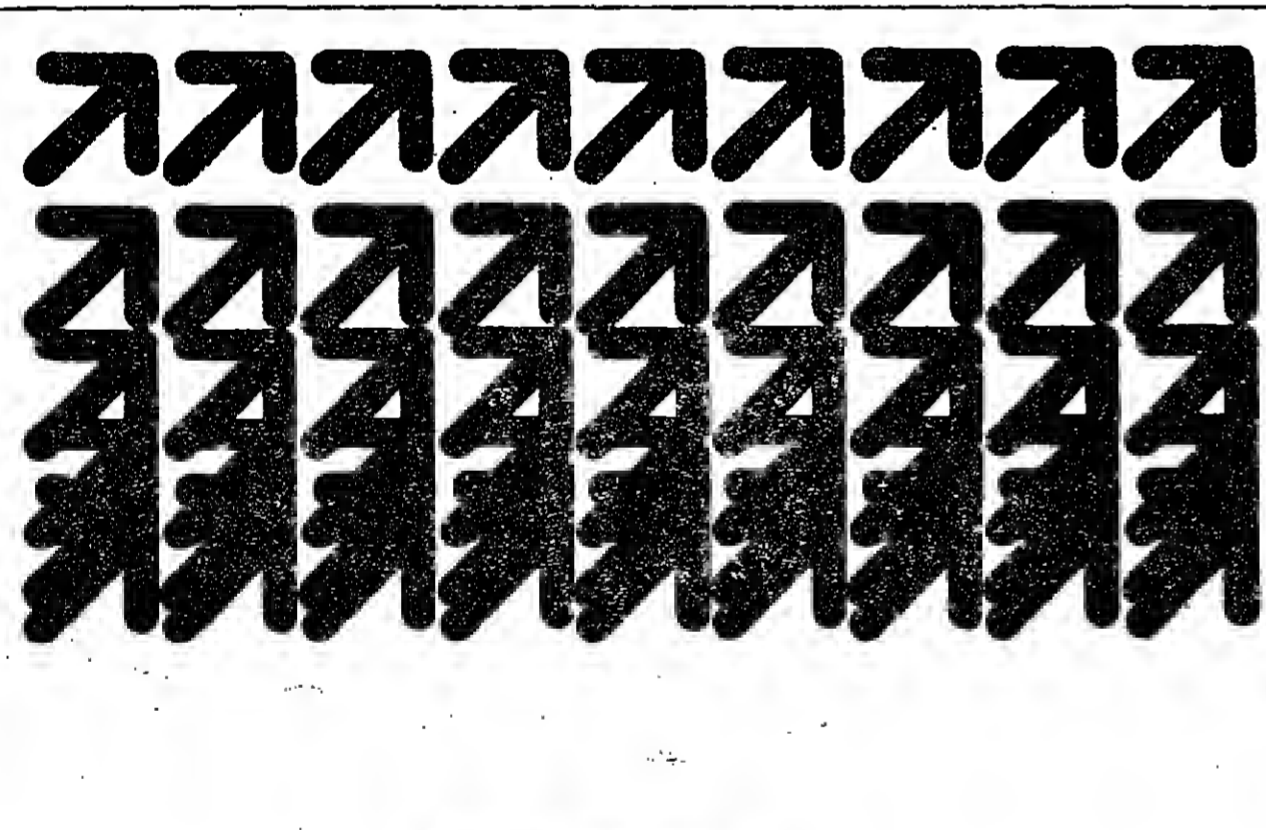
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## Further Advance

- Turnover up 90% at £5,128 million
- Pre-tax profits up 62% at £620,000
- New investment in rental equipment in excess of £1.25m

Interim Statement	Unaudited results for six months ended 31st May		Year to 30th May
	1978	1977	1978
Group Turnover	5,128	2,682	7,077
Profit before taxation	620	382	1,022
Taxation	44	39	91
Profit after taxation	576	343	931
Dividends paid or proposed	103	77	186
Retained profits	473	266	745
Earnings per share (fully diluted)	6.52p	3.90p	10.58p
Ordinary Dividend	0.77p	0.56p	1.49p

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# BIDS and DEALS

## NEWS ANALYSIS—SUNLEY/EAGLE STAR

### A better package second time round

BY CHRISTINE MOIR

Eagle Star's bid approach to Sunley Investment Trust is its second time around. In 1978, the insurance company offered a package of shares and convertible loan stock for Sunley which valued it at £74p. The Monopolies Commission intervened, however, and by the time it had given the "all-clear" the property recession had begun.

Eagle Star backed off with great relief. As the recession deepened Sunley began to look very vulnerable to its worldwide property development programme. There were empty office blocks in Europe, a loss making ski resort in the South of France, a tourist hotel in Jamaica, without customers, and at home a shabby house building business and borrowings to match reef increases which were not coming through.

All the same the stock market believed that Eagle Star which held on to its 33 per cent stake, would come back with another bid one day although the expectations grew staler over the years.

In recent months, however, it has become clear that the long and difficult programme of cleaning up Sunley after those heady expansion days in the early 1970s was nearly over.

The housebuilding side had been handed over to a water utility management company. The Jamaican hotel was finally sold. The Brussels showpiece actually went at just over book

cost and the remaining two European blocks are also under the hammer.

Then two days ago Sunley announced that it had finally signed the sale contract on 15th March 1979, that headline of a ski resort.

Confirmation of the long-awaited sale sent analysts back to a statement made by the company in May when the negotiations were disclosed.

According to the company, excluding 100m net assets for share were worth 392p, based on the valuation of the properties in March 1978 and the capital surplus achieved through the reorganisation of the debt to Eagle Star in the previous August.

Shareholders were reminded that the figure takes no account of the significant increase in value of the property portfolio which has taken place over the last year.

Since early 1978 other major property companies have unveiled surpluses of as much as 34 per cent on their portfolios over the year. And Sunley's property portfolio is particularly attractive. In the last report and accounts, gross rentals were projected to reach £6.7m in 1982 compared with £3.15m last year.

Since then rents have risen throughout the country and property values have gone with them.

The portfolio, then, looked more than ripe to be taken into Eagle Star's life funds. But mak-

ing a bid for the group involved getting over one last hurdle.

Sunley is not just a property development and investment company which used also to build houses. It also runs a sizeable construction company, Bernard Sunley and Sons, which last year made trading profits of £4.8m.

A year ago Sunley announced that it did not intend to follow the path of several other property and construction groups and divide the two halves into separate companies.

Eagle Star could have taken on the construction side, since it is no stranger to buying industrial businesses. When it did for Sunley last time it also took over Grovewood Securities, which among other things owns Brands Hatch and Champneys Heath Farm. Furthermore, Eagle Star recently restructured itself into a holding company which gave it more flexibility than insurance companies as far as carrying industrial assets was concerned.

In the event the new deal now being discussed sidesteps the complication. John Sunley and his family, together with trusts, other private companies and the directors own 40 per cent of the group—is to buy out the construction side.

And that will leave Eagle Star bidding for a tidy package of high quality properties with a diminishing burden of borrowings and a presumption of strong rental growth.

### Hanson tries again with £25m Lindustries bid

BY JOHN MOORE

Hanson Trust, the industrial holding company, has launched a bid worth £25m for Lindustries, the engineering and textile group, nearly two years after its earlier bid for that company failed.

Lindustries had no comment to make last night on the offer, which at 135p per share in cash is identical to the earlier offer Hanson made.

Hanson holds a 5.9 per cent stake in the group representing 1,106,000 shares.

Mr. James Hanson, Hanson's chairman, said last night that he had not discussed the deal with the Lindustries Board.

"We saw the Lindustries share price going down and we thought it the right time to go ahead," he said.

Mr. James explained that the move had also been prompted by the Lindustries' warning at its AGM this week that profits for its current year might show a reduction for the current year, and that there were significant losses at one subsidiary.

"We've got to protect our investment," said Mr. James.

In its last financial year ending March 31, 1979, Lindustries reported pre-tax profits of £7.24m, compared with £6.53m, and the group had a net asset value per share of 189.5p.

Hanson's bid was attempted last year because the bid was conditional on recommendation by the Lindustries Board. When

that was not forthcoming Hanson withdrew the offer.

Asked yesterday whether the latest bid would be conditional on receiving approval by the Lindustries Board Sir James said: "I shouldn't comment on that at this stage."

Lindustries Board is meeting today to consider the offer which it received at 5.50 pm yesterday.

Lindustries shares yesterday closed at 120p, up 5p, the offer coming too late to have any effect on the price. Hanson's shares were 105p, up 1p.

See Lex

**RATIONALISATION AT HARDYS**

Harris paid around £28m for Hardys, which has about 180 stores and is still running at a loss. The Burton Group has now bought five stores outside the London area for some £2m. One of the major clearing banks is also ready to acquire the hire purchase companies for £5m-£7m, though they will still carry out Hardys' business.

The Hardy head office at Croydon is being closed at a saving of £1m and Harris also plans to sell some other Hardy

stores, as well as buying back the freeholds on others.

The property deals were arranged by Mr. Harvey Spack and Mr. Russell Flett, property consultants to Harris for some years.

Mr. Philip Harris, the chairman said he is now "reasonably confident that Hardy will be trading at a profit by the end of the year."

**STENHOUSE**

The Stenhouse Reed Shaw group announces the formation of Reed Stenhouse Marketing which has been admitted as a Lloyd's broker.

This company results from the merger of the present Lloyd's broking companies, Stenhouse Marketing Services (London), Sir William Garthwaite (Insurance) and Wright, Deen and Co.

**TESCO/CARTIERS**

In the offer document sent out by Tesco to shareholders of Cartiers Superfoods yesterday, Mr. Lewis Cartier, chairman of the Kent supermarket group, writes that he has agreed to personally buy back the Barking-side outlet if the result of current planning appeal is unsatisfactory to Tesco. He has done this, he says, to facilitate the saving of £1m and Harris also plans to sell some other Hardy

### BTR offer is 'opportunist'

Continuing its adamant rejection of BTR's £26m bid, Bestobell has repeated its message to shareholders to take no action. It calls the offer "aggressive and opportunist."

"Your Board will not accept any denigration of Bestobell's potential," asserts Mr. Sandy Marshall, the chairman, in response to BTR's letter earlier this week.

BTR cast doubt on the Bestobell forecast of a pre-tax profit rise of at least 30 per cent this year to over £8.8m and questioned whether a "reshuffled management" could effect a quick change in Bestobell's fortunes.

Drawing strength from the pledge of support by Britannic Assurance, Bestobell's largest shareholder with a 10 per cent stake, Mr. Marshall says: "We want you to stay with Bestobell."

Mr. Marshall describes the BTR remarks on Bestobell's predicted gross dividend rise as "factually incorrect." BTR said on Monday that Bestobell's dividend forecast amounted to only 12.4 per cent in equivalent gross terms.

Bestobell says that the rise in net dividends is some 25 per cent. "While modest when set against the profit forecast, it is in line with the Board's policy of "increasing but well-covered pay out."

Commenting on the income increase claimed by BTR for its 30th share offer, Bestobell describes the statement on this offer. The cost would be £250,000—as "seriously deficient." BTR

had said that, allowing for the proposed dividend, its terms provided for an income increase of 30 per cent for its share offer and 59 per cent for the cash alternative.

The BTR offer closes today. Bestobell's shares closed above the offer price last night at 210p, down 2p, while those of BTR were unchanged at 302p.

**ALBERT MARTIN COMPLETES**

Albert Martin Holdings has completed the acquisition of Cooper and Roe for £45,563 cash. The facilities acquired include freehold factory premises covering 80,000 square feet, together with adjoining land, situated in a new location for the group just to the south of Nottingham.

The manufacturing activities of Cooper and Roe are being reorganised and will be absorbed by two of Albert Martin's existing divisions. The knitted outerwear section will become part of the knitwear division adding new merchandising to the product range, while the remaining production facilities will be assimilated into the Albert Martin division, giving principally a significant increase in circular knitting capacity.

**HALL BROS.**

Hall Brothers Steamship has sold MV Eretwilda for £427,000. After all expenses this is expected to produce a profit over book value of approximately £80,000.

### CompAir buys Mako Compressors assets

CompAir has completed the purchase of the assets of Mako Compressors Inc., of Ocala, Florida, U.S., relating to high pressure, compressed air life support systems and air purification. This business will be operated as a subsidiary of CompAir Inc. CompAir's P.S. holding company.

Unaudited results of Mako in the year to June 30, 1979, indicate sales of some \$3.7m and profits before tax of about \$800,000. The estimated net tangible assets acquired amounted to \$1.6m of which land and buildings at valuation were \$270,000.

Total consideration was \$3.0m, secured by the issue of 1.5m ordinary shares of \$2p of CompAir credited as fully paid stock which have been acquired by Morgan Grenfell and Company and placed with institutional investors.

**C. T. BOWRING**

C. T. Bowring Underwriting Management (Gibraltar) and English and American Insurance Company, both members of the

C. T. Bowring Group, have jointly taken up 23.8 per cent of the capital of the Rock Fire Assurance Company of Gibraltar, for £50,000.

**MIDLAND NEWS**

The capital reorganisation scheme of Midland News Association has been approved by the High Court and has become effective. Consequently, MNA is now a subsidiary of C. F. Claverley.

**LEADENHALL BUYS T. H. DIXON**

Leadenhall Shipping, the forklift and industrial truck manufacturer with interests in medical and agricultural services, has been placed by Singer and Friedlander together with Grievson Grant and Stock Beech at 186.5p, with the proceeds to be paid to the vendors.

The Birmingham company sells computer stationery and supplies, as well as business systems based on micro-computers and visible record accounting machines. Turnover in its last financial year to September 30, 1978, was £774,000; pre-tax profits were £114,000.

**STAFFS. POTTERIES**

Staffordshire Potteries (Canada) a subsidiary of Staffordshire Potteries (Holdings) has acquired from the receiver and manager the assets of Salt and McKee, manufacturer of Superior fine bone china, for £940,800.

**PARKER KNOLL**

Parker Knoll's acquisition of K. Raymakers and Sons has been completed, following the approval at an EGM, consideration for the acquisition have been admitted to the Official List of The Stock Exchange.

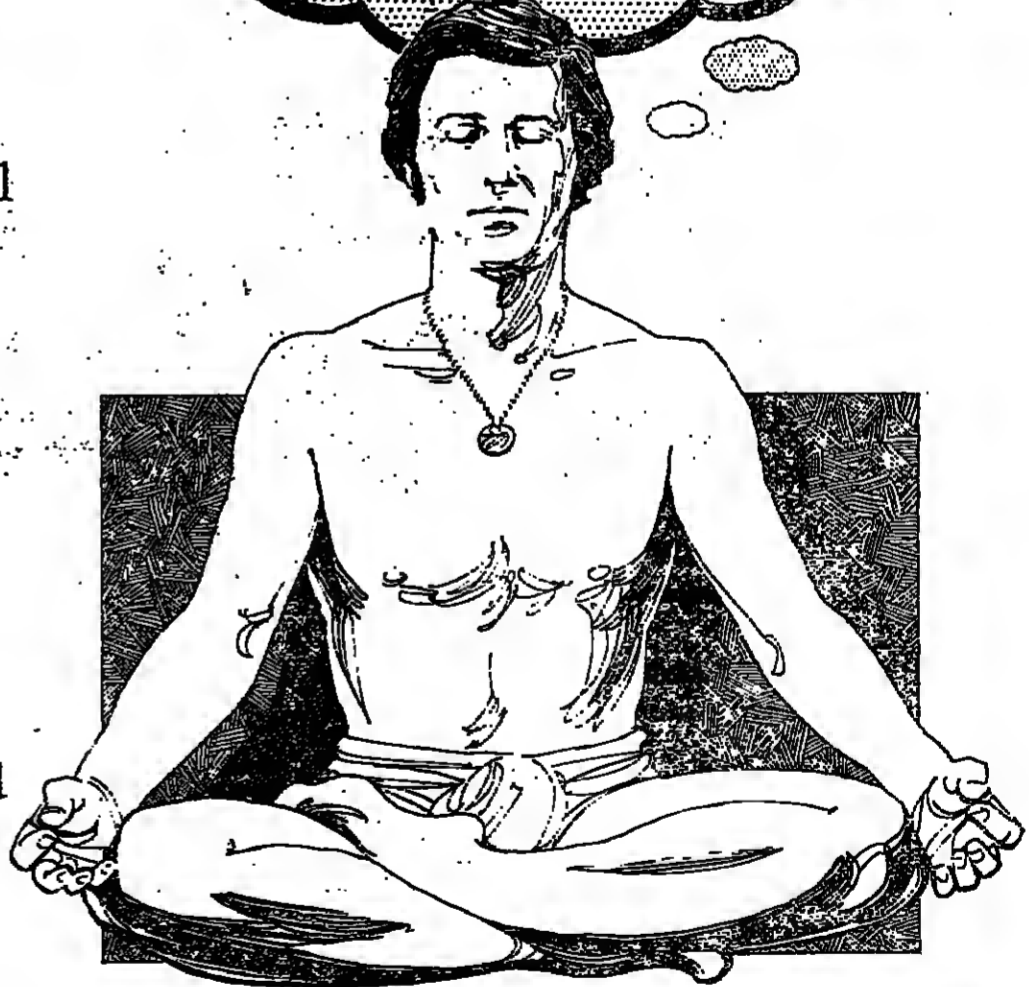
**QUEENS MOAT**

Queens Moat Houses has acquired the lease of the 30-bed-room Hermitage Hotel at Oadby, near Leicester. The hotel will be renamed the Leicestershire Moat House and extends the geographical coverage of Queens Moat, which now has 1,113 bedrooms.

The hotel is presently held on a lease from Everards Brewery.

# THE NEW HALIFAX 5 YEAR TERM SHARE. AN INTEREST RATE THAT'S WORTH CONTEMPLATING.

If you're thinking about investing a lump sum, of £500 or more, you'll want to put it where you get real security plus a high rate of interest. So think about the new Halifax 5 Year Term Share. You'll get a very attractive interest rate, currently 10.75% net. Which is the equivalent of 15.36% gross if you pay tax at the basic rate. And, of course, at the end of the five years you get your original investment back, safe and sound. You'll also get the security of the biggest building society in the world, with assets of £8,000 million and over six million investors. Ask about the new Halifax 5 Year Term Share at any of our branches. Or fill in the coupon and send it to us with your cheque. The more you think about it, the more you'll realise just how good an investment it is. If you want to invest for a shorter period Halifax 4 Year Term Shares pay 10.25% net (14.64% gross). 3 Year Term Shares pay 9.75% net (13.93% gross). 2 Year Term Shares pay 9.25% net (13.21% gross). 1 Year Term Shares pay 9.00% net (12.86% gross).



**HAZELWOODS (Proprietary) LIMITED**  
(Processors of Vegetables and Manufacturers of Sauces and Condiments)

**SUMMARY OF RESULTS FOR THE YEAR ENDED 31st MARCH, 1979**

Turnover	£ 6.09m	Up 38%
Profit	£ 0.52m	Up 30%
Dividend	4p per share	Up 33%
Shareholders funds	£ 2.07m	Up 25%
Earnings per share	£11.52m	Up 25%

"I am certain that the next year will further strengthen the company's position."

J. Lowe, Chairman.

Accounts available on the 28th August from: The Secretary, Hazelwoods (Proprietary) Ltd, Empire Works, Roundhitch, Derby DE1 1NB.

**Comfort Hotels International**

★ Comfort is now one of the larger independent public companies in the hotel and catering field, following the acquisition of a further three hotels in 1978 and the successful bid for City Hotels in March 1979, adding five hotels and the Strikes restaurant and Dayvilles ice cream businesses.

★ Last year's profits were a record and following ending of the controls, dividends have been increased by 30%.

★ The Group is trading well and, subject to unforeseen circumstances, 1979 should prove to be another successful year.

18 Hotels in this country and overseas, with over 2,300 rooms. 119 Strikes restaurants and Dayvilles ice cream parlours.

Copies of the Annual Report may be obtained from the Secretary, Comfort Hotels International Limited, 167 Queensway, London W2 4XG.

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TERM SHARES INCLUDE A GUARANTEED PREMIUM IN ADDITION TO THE CURRENT PAID-UP SHARE RATE WHICH IS VARIABLE (1.50% FOR 4 YEAR, 2.50% FOR 3 YEAR, 0.50% FOR 2 YEAR AND 0.25% FOR 1 YEAR SHARES). THE ABOVE GROSS RATES OF INTEREST APPLY IF YOU AS AN INDIVIDUAL INVESTOR HOLD AT LEAST 50 SHARES.

SEND IN THIS COUPON NOW FOR THE HIGHEST INTEREST RATE EVER. TO: HALIFAX BUILDING SOCIETY (REF. LKW), PO BOX 60, TRINITY ROAD, HALIFAX HX1 2RG

I/We enclose a cheque, numbered \_\_\_\_\_ for £ \_\_\_\_\_

To be invested in: (TICK APPROPRIATE BOXES) MIN. INVESTMENT £500.

5 year  4 year  3 year  2 year  1 year Term Shares

The interest to be:

added to balance  paid half-yearly  paid monthly (min. investment £1,000)

I/We understand that the investment cannot be withdrawn before the stipulated term except in the case of death.

F71

FULL NAMES: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

SIGNATURE(S): \_\_\_\_\_ DATE: \_\_\_\_\_

NORTH AMERICAN NEWS

First borrowing in 12 years for IBM

By John Wyles in New York
INTERNATIONAL Business Machines has completed arrangements for 37 banks to provide up to \$1.5bn of credits in the computer company's first borrowing exercise in 12 years.

The company has offered no explanation for the credit lines other than the fact that "strong customer demand" was requiring it to make a "higher investment in resources and rental equipment."

At the same time, IBM has been more than usually secretive about its pricing and product development plans, partly, it seems, to keep its competitors off balance.

The switch to leasing had an unexpectedly severe impact on IBM's second quarter earnings, which fell for the first time in four years from \$1.19 per share to \$1.15.

Arabs gain more time for Financial General takeover

BY DAVID LASCELLES IN NEW YORK
THE GROUP of Arab investors who are trying to buy Financial General Bankshares, the Virginia banking company, has won a favourable ruling from the courts which gives them more time to achieve the takeover.

Gas price rises aid Kerr-McGee

BY OUR FINANCIAL STAFF
HIGHER NATURAL gas production and better average gas prices are behind the strong recovery reported by Kerr-McGee, the integrated energy group, in the three months to June 30.

Sales in the period are up 24 per cent to \$846.3m taking the total for the first six months to \$1,259m compared with \$1,011m at the halfway mark last year.

troi about 20 per cent of the bank, would sell their shares for at least \$20 each in the event that their takeover bid fails. Under the terms of the earlier deal, the minimum was \$15 a share.

net earnings were \$43.6m against \$26.3m a year ago. The increase for the first six months is an even more impressive 75 per cent to \$77m.

Liggett sells Perk Foods
MOUNTVALE—Liggett Group said it has sold its wholly owned subsidiary Perk Foods Company for approximately \$6.9m to CHB Foods.

public declaration becomes necessary. However, Financial General charged that they had acted in concert and should therefore declare their interest.

net earnings were \$43.6m against \$26.3m a year ago. The increase for the first six months is an even more impressive 75 per cent to \$77m.

GPU's half-year profit hit by nuclear plant accident
GENERAL PUBLIC UTILITIES (GPU), owner of the stricken Three Mile Island nuclear plant, last night reported a sharp drop in earnings because of the accident on March 28.

Texaco in \$300m coal test venture

By Our New York Staff
IN THE wake of President Jimmy Carter's new drive to replace imported oil with domestic fuels, two large U.S. energy concerns, Texaco and Southern California Edison, yesterday announced plans for a \$300m test coal gasification plant.

Successful demonstration, Gulf said, would take over five years and construction and production costs would total around \$1bn.

Times Mirror faces probe
LOS ANGELES—The Justice Department's anti-trust division has asked for additional information regarding Times Mirror's proposed acquisition of the Hartford Courant newspaper publisher.

Renewed investor interest in DM-denominated bonds

BY FRANCIS GHILES
RENEWED investor interest in Deutsche-Mark denominated paper pushed up the prices of foreign D-Mark bonds by an average of 1/4 of a point yesterday. In the domestic D-Mark bond market, prices moved up by about 1/4 of a point and the Bundesbank had to sell DM150m worth of paper to satisfy demand.

Deutsche Bank has cut by 1/4 per cent to 7 1/2 per cent the coupon it is offering on the DM 100m 10-year bond for the Aelan Development Bank.

Dresdner Bank is widely expected to price the DM 100m 10-year private placement it is arranging for the Kingdom of Sweden, and which carries a coupon of 7 1/2 per cent, above par.

in the six months ended June 30. In the same period, it raised its shareholders' equity by 47.4 per cent to \$40.9m from \$27.7m through issue of shares and a private-licensing company.

Saudi bank increases activity

BY OUR EUROMARKETS STAFF
SAUDI INTERNATIONAL Bank, the London-based consortium bank controlled by the Saudi Arabian Monetary Agency, has increased substantially its international money markets activity in the first half of 1979, the bank's balance sheet shows.

shows that a subsidiary has been set up in the Bahamas. Saudi International Bank (Nassau), to develop money market and lending activities and broaden its services to private clients.

Bodcaw rejects offer from IP

BY OUR NEW YORK STAFF
THE RUNNING battle for control of Bodcaw, the little-known but highly-prized Texas lumber company, appears to be far from over despite the company's rejection on Tuesday of a bid by International Paper, the country's largest paper and wood product concern.

In a 182,055 to 1,099 vote, Bodcaw shareholders turned down IP's offer of \$610m in preferred stock. Officials at Bodcaw, a privately-held company, refused to comment on the meeting, which was closed to the press and public.

FT INTERNATIONAL BOND SERVICE

Table listing various international bonds with columns for Issued, Bid, Offer, Day, Change on, and Yield.

Table listing other financial data including Floating Rate, Convertible Bonds, and Yen Straights.

Advertisement for C.A. Cavendes Sociedad Financiera, U.S. \$20,000,000 Bearer Depositary Receipts, representing undivided interests in a Floating Rate Deposit finally due 1986.



Swedish car report sees major debt task

WITHOUT outside help, Volvo and Saab-Scania will have a hard time raising the estimated 3.2-3.4bn (\$714-825m) which a Swedish government report says they will need to develop new passenger models.

The book-length study by the Swedish National Industrial Board, to be published next week, was yesterday dismissed by both carmakers as based on outdated figures and failing to take important recent developments into account.

Mr. Sten Wernio, head of the Saab passenger car division, termed the report "completely misleading. It fails to take into account our shift to the 1980 series, which now accounts for 73 per cent of production and has strongly improved our earnings, in the effects of our recent collaboration agreement with Lancia."

AEG-Telefunken to suffer heavy losses

BY JONATHAN CARR IN BONN

AEG-TELEFUNKEN is heading for another big loss this year, with its overall orders intake stagnating and its turnover likely to be only slightly above the DM 14.1bn achieved in 1978.

The troubled West German electrical group noted in a first half report that quite apart from the disappointing business outlook, results would be particularly burdened this year by the cost of structural changes already underway.

These changes are considered essential if the concern is to be restored to profitability—but in the meantime AEG-Telefunken and its shareholders face a further grim period. Last year's loss totalled DM 357m (\$164m) and no dividend has been paid since 1973.

Honeywell-Bull advances

BY OUR FINANCIAL STAFF

SHARPLY higher profits are reported for the first six months of 1979 by CII-Honeywell-Bull, the French-U.S. computer group.

Consolidated net income is FF 39.6m (\$9.3m), compared with the FF 31.3m shown for the first half of 1978 prior to an exceptional item totalling FF 40.4m. Net revenue was a fifth higher at FF 2,228m of which nearly half was generated outside France.

The exceptional profit item included in the 1978 figures related to the equipment rental operations of Societe Siliom which CII acquired in June of that year.

Improved margins at Winsor Industrial

By Philip Bowring in Hong Kong

WINSOR INDUSTRIAL—Hong Kong's largest integrated textile company and one of the few quoted industrial companies—raised net profits by 67 per cent in the year to March, to HK\$110.7m (U.S.\$21.4m).

Turnover was up 17.8 per cent to HK\$1,058m (U.S.\$203m)—a modest increase after taking inflation and Hong Kong dollar depreciation into account.

Net margins, however, improved strongly, from 7.4 per cent to 10.6 per cent of turnover. The final dividend will be 22 cents, making a total of 32 cents against 24.5 cents.

Japanese car boom boosts Bridgestone Tire results

BY YOKO SHIBATA IN TOKYO

BRIDGESTONE TIRE's interim net profits rose by 189 per cent to ¥12,718m (\$58.8m) for the first-half of the 1979 fiscal year, to June, reflecting Japan's booming new car sales.

With brisk domestic demand for tyres supported by various favourable factors, such as the recovery of the domestic economy, favourable new car sales, and a pick-up of demand for replacement tyres, Bridgestone's interim sales went up 4 per cent to ¥203.8bn.

To meet demand, the company's manufacturing plants operated at full capacity, giving production benefits to run alongside the productivity gains stemming from rationalisation.

Marginal rise for Lensworth

BY OUR SYDNEY CORRESPONDENT

LENSWORTH Finance, the Adelaide-based financier, achieved a small, but morale-boosting, increase in profit from \$1.45m to \$1.49m (US\$1.7m) in the year to June 30.

The result comes against a background of investor nervousness over finance companies in the wake of the collapse earlier this year of Associated Securities Ltd and the recent rescue operation mounted for another Adelaide financier, Beneficial Finance Corporation.

Lensworth was affected, and the company's share price slumped to 58 cents late in June, prompting the 61 per cent owner, Eldar Smith Goldsbrough Mort, to mount an open-ended buying support operation.

Grace Bros to raise A\$25m for expansion

By James Forth in Sydney

GRACE BROS Holdings, the large department store retailer, is understood to be planning to raise more than A\$25m (US\$28.2m) to help finance the expansion of its department store network.

The directors said there had been a slowdown in trading performance in the second half-year, to July 28, but added that the full year result would be satisfactory.

Grace Bros. has one of the best growth records among the retailers. Last year profits increased 15 per cent to record the group's 15th successive earnings gain at a time when several major competitors reported downturns.

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SWISS-BANKING CONTROLS

Getting to grips with foreign business

AT A TIME when leading central banks are intensifying their efforts to improve supervision of the Euromarkets, new banking regulations in Switzerland that extend the authorities' control over Swiss banks' foreign business are attracting a good deal of international attention.

The Swiss scheme was introduced by the Bernese Federal Banking Commission last year. But effects of the new rules on banks' activities are only now becoming apparent—and the banks themselves are still querying the legal basis of the system.

DAVID MARSH, recently in Berne, explains why the Swiss authorities are extending the powers of the Federal Banking Commission.

viewpoint of improving still further Switzerland's standards of protection for depositors. But the basic principle behind the regulations—the feeling that supervisory techniques, especially in the area of consolidation, had not kept pace in recent years with the growth of banks' international business—is the same.

one that has inspired concern among central bankers over the past year or so over the build-up of Eurocurrency lending.

Significantly, three of these four were members of the "Big Five" whose Euromarket subsidiaries in areas like Luxembourg and the Caribbean with minimal regulations on capital adequacy have led to a peculiar dilution of the consolidated capital base.

As might have been expected, the banks have not been pleased with the Commission's measures, which they feel will weaken their international competitive position.

The Morgan Bank in Spain
Morgan Guaranty Trust Company of New York announces the opening of a banking office at Calle José Ortega y Gasset, 29, Madrid-6
Telephone 404.10.01 Telex 45523
GONZALO DE LAS HERAS Vice President and General Manager
PAUL L. SAUREL Vice President, Banking Division
ULRICH EVERS Assistant Vice President, Treasury and Foreign Exchange
Banking offices in major financial centers around the world

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Unconditionally Guaranteed as to Payment of Principal, Premium, if any, and Interest by
AVCO CORPORATION
Kidder, Peabody International
Amsterdam-Rotterdam Bank N.V.
Credit Suisse First Boston
Westdeutsche Landesbank Girozentrale
Banque Nationale de Paris
Salomon Brothers International
Chase Manhattan Limited
Swiss Bank Corporation (Overseas)
Banque Bruxelles Lambert S.A.
Svenska Handelsbanken
Alahdi Bank of Kuwait K.S.C.
Arnhold and S. Bleichroeder, Inc.
Bache Halsey Stuart Shields
Banca Commerciale Italiana
Banca del Gottardo
Banca Nazionale del Lavoro
Banco di Roma
Bank Julius Baer International
Bank Cantrade AG
Bank of Credit and Commerce International
Bank Gatzwiller, Kurtz, Bungeener (Overseas)
Bank Leumi Je Israel Group
Bank Mees & Hope NV
Banque Francaise de Commerce Extérieur
Banque Générale du Luxembourg S.A.
Banque Internationale à Luxembourg S.A.
Banque Louis-Dreyfus
Banque de Neullize, Schlumberger, Mullet
Banque Pariente
Banque de Paris et des Pays-Bas
Banque de Paris et des Pays-Bas (Suisse) S.A.
Banque Privée de Gestion Financière B.P.G.F.
Banque Rothschild
Banque Scandinave en Suisse
Banque de l'Union Européenne
Banque Worms
Baring Brothers & Co.
Bayerische Hypothek- und Wechsel-Bank
Bayerische Landesbank Girozentrale
Bayerische Vereinsbank
Berliner Handels- und Frankfurter Bank
Blyth Eastman Dillon & Co.
BSI Underwriters
Burgan Bank S.A.K.
Borns Fry
Cazenove & Co.
Christiani & Co.
Citicorp International Group
Clariden Bank
Commerzbank
Compagnie de Banque et d'Investissements (Underwriters) S.A.
Compagnie Monégasque de Banque S.A.
Continental Illinois
County Bank
Crédit Commercial de France
Crédit Industriel d'Alsace et de Lorraine
Crédit Industriel et Commercial
Crédit Lyonnais
Créditanstalt-Bankverein
Daiwa Europe N.V.
Delbrück & Co.
Den Danske Bank
Den norske Creditbank
Deutsche Girozentrale - Deutsche Kommunalbank
The Development Bank of Singapore
DG BANK
Dillon, Read Overseas Corporation
Dresdner Bank
Drexel Burnham Lambert
Effectenbank-Warburg
Eurogest S.P.A.
Euromobiliare S.P.A.
European Banking Company
Finacor
First Chicago
Robert Fleming & Co.
Fuji International Finance
Genossenschaftliche Zentralbank AG
Antony Gibbs Holdings Ltd.
Girozentrale und Bank der österreichischen Sparkassen
Goldman Sachs International Corp.
Hambros Bank
Handelsbank N.W. (Overseas)
Hessische Landesbank
Hill Samuel & Co.
E. F. Hutton & Co. N.V.
Istituto Bancario San Paolo di Torino
Kipeco Finance S.A.
Kleinwort, Benson
Kreditbank N.V.
Kuhn Loeb Lehman Brothers International
Kuwait Foreign Trading, Contracting & Investment Co. (S.A.K.)
Kuwait International Investment Co. s.a.k.
Kuwait Investment Company (S.A.K.)
M. M. LaRoche and Co.
Lazard Brothers & Co.
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Strauss, Turnbull & Co.
Sumitomo Finance International
United Overseas Bank
Vereins- und Westbank
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S. G. Warburg & Co. Ltd.
Wardley
Williams, Glyn & Co.
Dean Witter Reynolds International
Wood Gundy



Republic of Indonesia

Kuwaiti Dinars 7,000,000. 8 1/4 per cent Bonds due 1991

(Redeemable at the option of the holders in 1986)

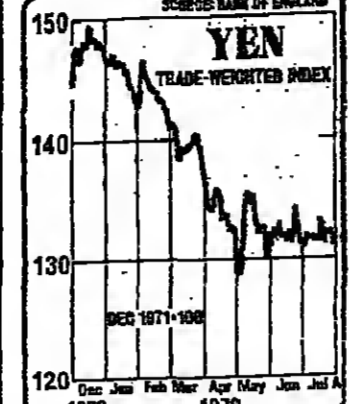
Kuwait International Investment Co. s.a.k. Arab-Malaysian Development Bank Berhad Crédit Lyonnais Gulf Riyad Bank E.C. N.V. De Indonesische Overzeese Bank The National Bank of Kuwait S.A.K. Union de Banques Arabes et Françaises—U.B.A.F.

Ahu Dhabi Investment Company Alahli Bank of Kuwait (K.S.C.) Albank Alsaudi Alhollandi Algemene Bank Nederland N.V. (Bahrain Branch) Al Saudi Banque American Express Bank International Group Arab African International Bank—Cairo Arab Bank Ltd. (OBU) Bahrain Arab Finance Corporation S.A.L. Arab Financial Consultants Company S.A.K. The Arab Investment Company S.A.A. (Riyadh) Arab Bank Investment Company Limited Arab Trust Company K.S.C. Bankers Trust International Limited Bank of America International Limited Bank of Bahrain and Kuwait B.S.C.—Kuwait Branch The Bank of Kuwait and the Middle East K.S.C. B.A.L.L. (Middle East) Inc. Banque de Paris et des Pays-Bas Banque Nationale de Paris Bayerische Vereinsbank International S.A.—Luxembourg Buryan Bank Burgan Bank S.A.K.—Kuwait Byblos Arab Finance Bank (Belgium) S.A. Citicorp International Group Den Danske Bank of 1871 Aktieselskab Den norske Creditbank Enro-Kuwait Investment Co. K.S.C. European Arab Bank (Middle East) E.C. Euroseas Securities Limited Financial Group of Kuwait K.S.C. FRAB Bank International Genossenschaftliche Zentralbank AG—Vienna The Gulf Bank KSC—Kuwait Handelsbank N.W. (Overseas) Limited The Industrial Bank of Kuwait K.S.C. International Finance and Banking Corporation International Financial Advisers E.S.C. Kleinwort Benson (Middle East) E.C. Kredietbank S.A. Luxembourgeoise Kuwait Financial Centre S.A.K. Kuwait International Finance Co. "KIFCO" Kuwait Investment Company (S.A.K.) Kuwait Pacific Finance Company Limited Manufacturers Hanover Limited Merrill Lynch International & Co. Morgan Grenfell & Co. Limited Morgan Guaranty Pacific Limited The National Commercial Bank (Saudi Arabia) Norse Securities A/S Orion Bank Limited J. Henry Schroder & Co. S.A.L. Société Générale Skandinaviska Enskilda Banken Swiss Bank Corporation (Bahrain Branch) Uban-Arab Japanese Finance Ltd. United Bank of Kuwait Limited Wardley Middle East Limited

July, 1979

Sterling erratic

STERLING fluctuated sharply in the foreign exchange market yesterday, following Tuesday's sudden fall, but recovered some of its losses. Yesterday's lower levels attracted a good deal of buying interest, especially in the U.S., underlining the general opinion that this was where sterling's rapid decline had originated. It opened at \$2.2550 and moved quite erratically during the morning between \$2.2450 and \$2.2550. By noon it had settled at around \$2.2500 and stayed at this level until mid-afternoon.



when demand in the U.S. pushed up the rate to \$2.2770. Sterling closed at \$2.2700-2.2710 which showed a rise of 2.5c from Tuesday, and a net loss on the week of 4.4c. The pound was also firmer against European currencies, rising to DM 4.1650 from DM 4.2250 and to FF 9.6933 from FF 9.7000.

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Table with columns for currency, rate, and % change. Includes Sterling, Yen, etc.

THE POUND SPOT AND FORWARD

Table with columns: Day's spread, Close, One month, Three months. Lists currencies like U.S., Canada, etc.

THE DOLLAR SPOT AND FORWARD

Table with columns: Day's spread, Close, One month, Three months. Lists currencies like U.K., Ireland, etc.

Table with columns: Currency, Rate, % Change. Includes Sterling, U.S. Dollar, etc.

EMS EUROPEAN CURRENCY UNIT RATES

Table with columns: Currency, Rate, % change, Divergence limit %.

EXCHANGE CROSS RATES

Table with columns: Currency, U.S. Dollar, etc. Lists exchange rates for various currencies.

EURO-CURRENCY INTEREST RATES

Table with columns: Term, Rate. Lists interest rates for different terms.

OTHER MARKETS

Table with columns: Market, Rate. Lists various market rates.

INTERNATIONAL MONEY MARKET

Table with columns: Currency, Rate. Lists international money market rates.

UK MONEY MARKET

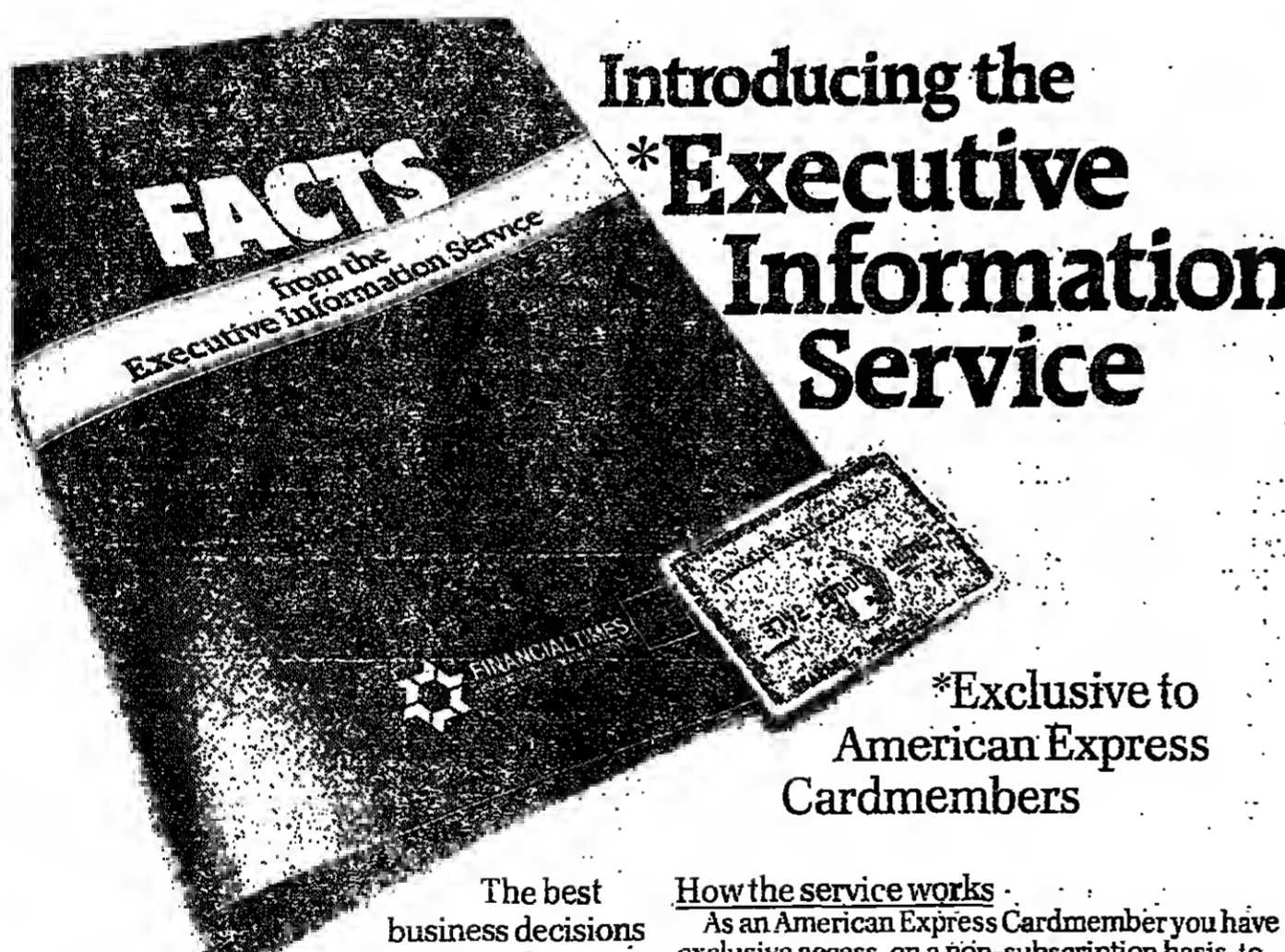
Table with columns: Rate. Lists UK money market rates.

LONDON MONEY RATES

Table with columns: Term, Rate. Lists London money rates.

MONEY RATES

Table with columns: Country, Rate. Lists money rates for various countries.



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European rates steady

Interest rates showed a much steadier tendency throughout Europe yesterday after sharp rises over the past few months. Pressure within the European Monetary system on the weaker members has eased considerably just recently, and interest rates have stabilised accordingly.

UK MONEY MARKET

Bank of England Minimum Lending Rate 14 per cent (since June 12, 1979). Conditions in the London money market were fairly easy yesterday, and the authorities gave only a small amount of assistance.

Small assistance

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LONDON MONEY RATES

Table with columns: Term, Rate. Lists London money rates.

Sharp fall

Gold fell sharply in the London bullion market yesterday as heavy speculative trading continued. By the close it had fallen \$3, an ounce to \$294.20, the lowest closing level since July 13, and later on in New York it fell a further \$3.

INTERNATIONAL MONEY MARKET

Interest rates showed a much steadier tendency throughout Europe yesterday after sharp rises over the past few months. Pressure within the European Monetary system on the weaker members has eased considerably just recently, and interest rates have stabilised accordingly.

Small assistance

Bank of England Minimum Lending Rate 14 per cent (since June 12, 1979). Conditions in the London money market were fairly easy yesterday, and the authorities gave only a small amount of assistance.

LONDON MONEY RATES

Table with columns: Term, Rate. Lists London money rates.

WORLD STOCK MARKETS

Wall Street active but mixed at mid-session

INVESTMENT DOLLAR... Wall Street active but mixed at mid-session... Dow Jones Industrial Average...

Canada... Stock prices continued to show a tendency to lower levels... Toronto Composite Index...

Germany... Stocks put on a good performance yesterday in lively trading... Commerzbank index...

Indices

Table of stock indices for New York, London, and other markets, including Dow Jones, Nikkei, and FTSE.

Analysts said there were no positive developments to support prices and concern about recession inflation and interest rate still lingers in the background.

The Nikkei-Dow Jones Average was still modestly up at the day with a net gain of 8.91 at 6,322.85.

After Tuesday's sharp setback on Monday, the market showed renewed strength yesterday as Blue Chips and Properties in particular attracted fresh local and some London demand.

NEW YORK

Table of stock prices for various companies in New York, including IBM, General Electric, and others.

Tokyo

Table of stock prices for various companies in Tokyo, including Toyota, Nissan, and others.

Hong Kong

Table of stock prices for various companies in Hong Kong, including HSBC, Citibank, and others.

STANDARD AND POORS

Table of Standard and Poors indices for various sectors and regions.

MONTREAL

Table of stock prices for various companies in Montreal.

JOHANNESBURG

Table of stock prices for various companies in Johannesburg.

TUESDAY'S ACTIVE STOCKS

Table of active stocks and their price changes for Tuesday.

EUROPEAN OPTIONS EXCHANGE

Table of European options exchange data, including call and put options for various stocks.

BASE LENDING RATES

Table of base lending rates for various banks and currencies.

BRUSSELS/LUXEMBOURG

Table of stock prices for various companies in Brussels and Luxembourg.

AMSTERDAM

Table of stock prices for various companies in Amsterdam.

COPENHAGEN

Table of stock prices for various companies in Copenhagen.

PARIS

Table of stock prices for various companies in Paris.

VIENNA

Table of stock prices for various companies in Vienna.

MILAN

Table of stock prices for various companies in Milan.

Financial Rand U.S.80% (Discount of 28.1%)

Table of financial data related to the Rand and U.S. dollar exchange rate.

Martin Taylor on Rowntree's quest for growth on the Continent

# Waving the big brand flag in Europe

MANY BRITISH companies with subsidiaries in France two years ago were wishing they could be rid of them. Severe price controls had squeezed profit margins at a time when costs were rising rapidly, and there was profound gloom about the future of the business community under a Socialist-Communist coalition, the success of which at the polls was taken almost as read. Rowntree Mackintosh chose this moment—July 1977—to increase its exposure to France by bidding for the Dijon firm of Chocolaterie Lanjiz.

With hindsight the most astonishing thing about the deal is the price. Rowntree secured a new factory and a well-known brand name in chocolate assortments for less than £2m, a fair reward for its willingness to make a politically bold investment. After all, even Communists eat chocolates, and the Lanjiz purchase was just the latest step in Rowntree's grand strategic plan: its quest for growth in continental Europe.

## Rationale

The reasoning behind the group's push into Europe is simple. First, the European confectionery markets are relatively fragmented by comparison with their British or American equivalents, where frenetic competition between powerful multinationals is the rule. At the moment, for example, Rowntree is having to fight hard in the UK to hold the market share it managed to gain from Cadbury Schweppes with its launch of the Yorkie Bar. One percentage point of UK market share is an enormous achievement, against the competition of Cadbury and Mars.

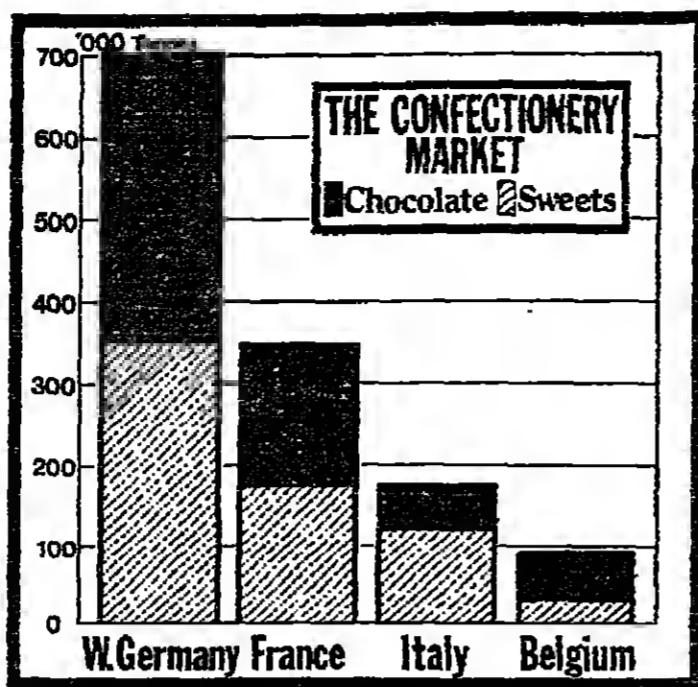
Secondly, there may be slightly more room for absolute growth in the European marketplace. More significantly, what growth there is at the moment is in the sectors in which Rowntree is traditionally strong—confectionery and assortments. The French seem to be begin-

ning to think of chocolate confectionery in its own right rather than of something which is merely given to children in place of a meal when they come home from school. If anyone can take advantage of the idea, slowly dawning in France, that there is more to confectionery than sugared almonds, it should be Rowntree Mackintosh with its strong portfolio of confectionery brands.

That is not to say that RM makes no concessions to local tastes. The Smarties made at its Hamburg factory are not quite the same as English Smarties. But Rowntree is interested principally in selling its own brands—"we want to take internationally proven products into Europe and develop them," as Mr. Lindsay Mackinlay, the chairman of RM's European division, puts it: the group banks at invading the Dutch market for salted liquorice. The French, though, are being persuaded through the medium of After Eight to abandon their prejudice against eating chocolate and mint together.

Rowntree, as opposed to Mackintosh, had a minor presence in Europe as early as 1926. But it was only with the purchase of a majority stake in the Stockmann company in Hamburg in 1964 that the company began to direct its ambitions seriously. In the next few years local agencies were set up in Belgium and Italy and in the early 1970s the group, enlarged by the Mackintosh merger, began to buy French confectionery firms. Chocolat Menier in 1971 and Chocolat Toled in 1973. Menier has a factory astride the river Marne at Noisiel in which, astonishingly enough, a good proportion of the Yorkie Bars sold in England are currently produced—in itself a symbol of RM's international integration. Germany and France now make an approximately equal contribution to the division's sales.

The result has been that the sales of the European division have risen to £130m in 1978 from £3m in 1966. Between 1976 and 1978 volume sales of



the group's four major products, Kit Kat, Smarties, After Eight and Quality Street, rose by a quarter. Heavy investment is continuing: around £10m a year at present on fixed assets, notably a Quality Street plant at Dijon and a Rolo plant at Hamburg. As the overseas business grows, there is a large requirement for working capital. The net working capital of the group as a whole has risen by nearly £23m a year in the last two years and a fair proportion of this must be accounted for by the European operation. RM is unashamedly going for market share and its operating margins are held down by advertising and marketing costs—a heavy programme over several years. Mr. Mackinlay considers that it would be wrong to try to take the available profits out of the European division at present: funds are being ploughed back in with the intention of building up a substantial and secure stream of earnings in a few years' time.

Just how many years is, of course, a vital question. It

would certainly be wrong to expect a major earnings contribution in the next two or three years, and it will certainly take longer before development is considered more or less complete. RM's balance sheet is enviably strong: at the end of 1978 net debt totalled only £22m against shareholders' funds of £216m. But in the last year there would have been an outflow of cash—£20m or so—but for the £36m rights issue, and there is no doubt that RM is prepared to increase its gearing in order to meet the requirements of the growing European division, where the cash-flow is unlikely to cover the cost of RM's development for some time.

The group's financial plans increasingly hinge on local borrowings. RM initially puts in its own funds to build up a manufacturing plant against which local money may be raised. The reliance on local banks has paid off—the Lanjiz acquisition, for example, was drawn to Rowntree's attention by its French bankers. This

may partly reflect the desire to become a local company as much as to get assets and liabilities matched in the same currency. RM's advertising in Europe concentrates on pushing the brand, not the parent company's name. This follows the company's traditional approach in the UK, in so far as not all RM's final customers may be aware that Polo and Kit Kat come from the same stable, but here at least Rowntree Mackintosh is a household name.

The new launching activity is frenetic—Kit Kat in Holland, Rolo in Holland and Belgium, the Lion Bar in France. It is possible in time that locally developed brands may be sold in the UK in line with the policy of selling universal brands. There appear to be strange cycles in the invention of new confectionery products. In the 1930s Rowntree invented Black Magic, Kit Kat (then known as Chocolate Crisp), Aero, Dairy Box and Smarties within four years—a series of remarkably durable brands. On the Mackintosh side, Quality Street and Rolo date back to exactly the same period. One can only put it down to sun spots. Since the war, major new launches have been less frequent: until the Yorkie launch, in 1976, Rowntree's only important new products had been Polo and After Eight.

But what does it matter when you have brands good enough to go on and on, that people buy again and again without really noticing the price—what Mr. Mackinlay calls "sound repeat-purchase products." RM has already persuaded the Germans that After Eight is a product of enormous chic and status—it is surely worth spending a great deal of time, money and energy on persuading continental consumers to buy Kit Kats whenever they go to the tram stop. RM is setting out to establish a source of very durable earnings—a few years off, perhaps, but the operation seems to be running to plan.

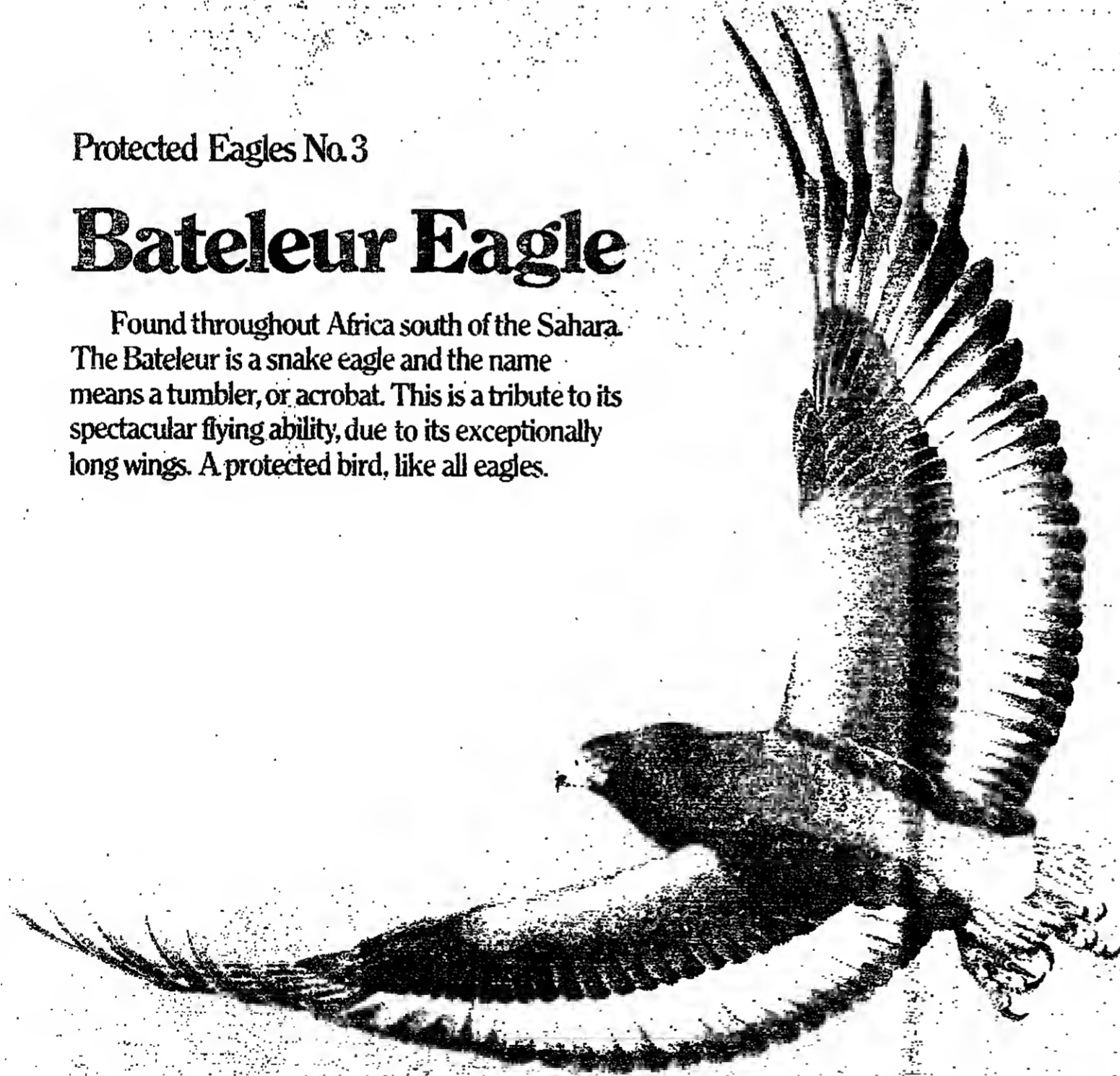
**AUSTIN REED  
SUMMER  
SALE  
NOW ON**

**AUSTIN REED  
of Regent Street**

Protected Eagles No. 3

## Bateleur Eagle

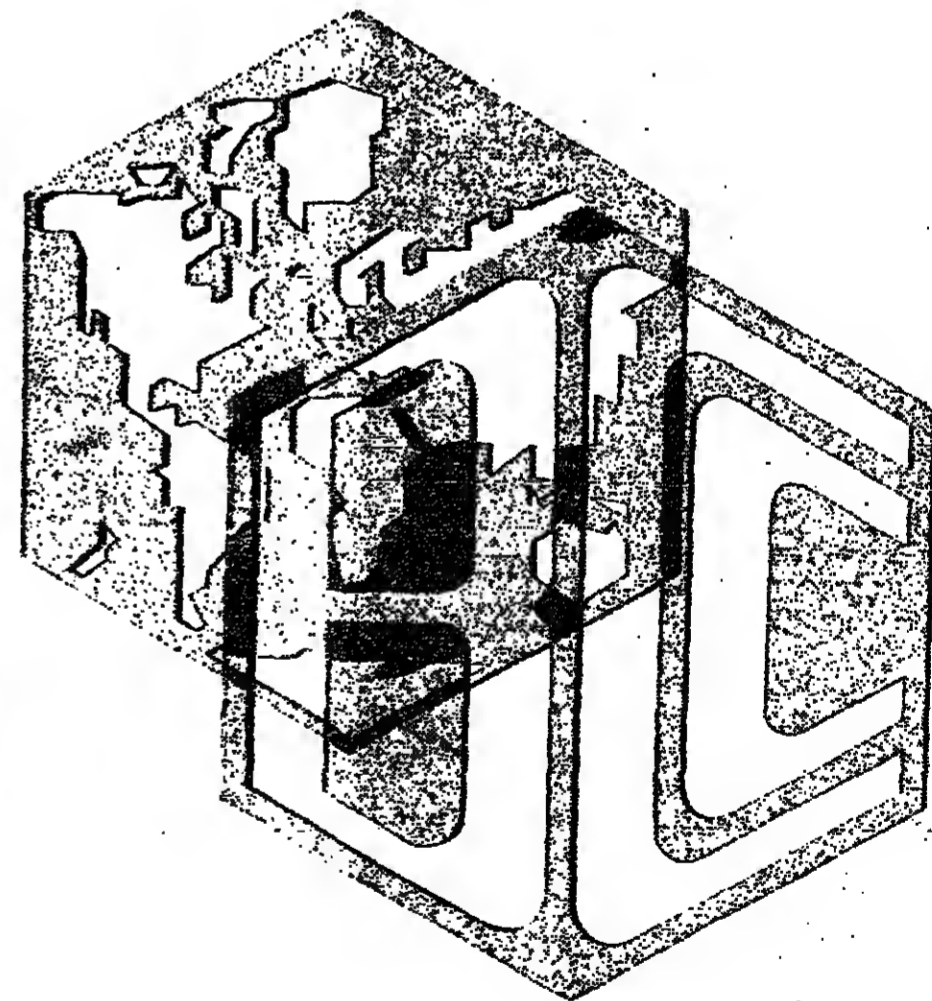
Found throughout Africa south of the Sahara. The Bateleur is a snake eagle and the name means a tumbler, or acrobat. This is a tribute to its spectacular flying ability, due to its exceptionally long wings. A protected bird, like all eagles.



With 160 U.K. branches you can rely on our countrywide insurance service for your protection. Millions do. Ask your broker or call in at your nearest branch.



# Eagle Star Insurance



The way to look at international banking is through BCC

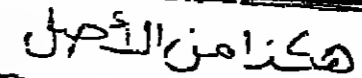
The Bank of Credit and Commerce International was born international—a fact which has certainly helped its growth. The BCC Group now has offices in 38 countries. Capital funds stand at over US \$170 million and total assets exceed US \$2.8 billion. Whatever your international banking needs, a talk with your local BCC manager could be very useful. Speed, efficiency and your convenience are what count at BCC. Contact us at any of our offices—there are 45 in the United Kingdom alone—or get in touch at the following address.



**BANK OF CREDIT AND COMMERCE INTERNATIONAL**  
 UNITED KINGDOM: MAIN OFFICE 10, LEADENHALL STREET, LONDON EC3A 3AD. TELEPHONE: 01-376 7000. TELETYPE: 3521.  
 Bangladesh, Canada, Djibouti, Egypt, France, Germany, Greece, Hong Kong, India, Indonesia, Iran, Italy, Ivory Coast, Japan, Jordan, Kenya, Kuwait, Lebanon, Liberia, Luxembourg, Malaysia, Mauritius, Nigeria, Oman, Pakistan, Saudi Arabia, Senegal, Sierra Leone, Somalia, Sudan, Switzerland, Taiwan, Tanzania, Thailand, Trinidad and Tobago, United Arab Emirates, United Kingdom, U.S.A., Venezuela, Yemen (North).

بى كى اى سي

COMMODITIES AND AGRICULTURE



Growers cut potato plantings

By Our Commodities Staff
ROWERS registered with the Potato Marketing Board reduced potato plantings by about 7 per cent this year, provisional estimates show.

Heading egg producer closes down

By Christopher Parkes
ONE OF Britain's most prominent independent egg producers, Mr. John Chapman, filed a petition for bankruptcy yesterday afternoon.

Compromise plan for cocoa pact

BY RICHARD MOONEY
IN AN attempt to break the deadlock at the conference negotiating the International Cocoa Agreement in Geneva, now in its third week, Mr. Anthony Hill, the Jamaican chairman, yesterday proposed a new compromise buffer stock buying and selling price range.

Bigger world cotton crop is expected

WASHINGTON — World cotton production will show a moderate rise in 1979/80 from the 60.3m bales (478 lbs net) in 1978/79, according to the International Cotton Advisory Committee (ICAC).

Chinese buying lifts sugar

By Our Commodities Editor
WORLD SUGAR prices rose yesterday following reports of sizeable purchases by the Chinese. The Australian Sugar Board confirmed it had sold 100,000 tonnes of raw sugar to China for delivery over the next few months.

More zinc producers cut prices

By John Edwards
THE CUT in the European producer price for zinc, from \$845 to \$780 a tonne, was confirmed yesterday when it was followed by leading producers in Australia, Canada and Europe.

PIGS

An unhealthy outlook

BY JOHN CHERRINGTON, AGRICULTURE CORRESPONDENT
THERE IS an old saying to the effect that pigs are either copper or gold—a reference to the pig cycle which existed before the EEC was ever thought of. In fact, I have come across much the same description of them in several European countries.

USSR imports more soybeans

WASHINGTON — Soybean shipments from the U.S. and Brazil to the Soviet Union during the first five months of this year totalled 851,000 tonnes, up sharply from the 569,000 tonnes in the same period last year, the U.S. Agriculture Department said here yesterday.

Small farm unity sought

BY OUR COMMODITIES STAFF
At the association's inaugural meeting, Mr. J. D. Hunter-Smith, chairman, called for a selective tax on land to penalise expansion of large farms and purchases by City institutions.

AMERICAN MARKETS

NEW YORK, August 1. THE GRAINS market opened on the government's announcement of extending the 1979 loan programme as well as withdrawing relief for releases of maize from the Strategic Grain Reserve.

BRITISH COMMODITY MARKETS

Table with columns for BASE METALS, COPPER, WIREBARS, ALUMINIUM, and CORAL INDEX. Includes prices for various metals and commodities.

GRAINS

Table with columns for WHEAT, BARLEY, RICE, and other grains. Includes prices for different grades and origins.

SOYABEAN MEAL PRICE CHANGES

Table showing price changes for soyabean meal in tonnes unless otherwise stated. Includes columns for August 1979 and Month ago.

EUROPEAN MARKETS

Table showing market data for various European locations including Rotterdam, London, and others.

INSURANCE BASE RATES

Table listing insurance base rates for various categories like Fire, Marine, and Motor.

SILVER

Table showing silver prices in various forms and locations.

MEAT/VEGETABLES

Table showing prices for meat and vegetables, including lamb, beef, and various vegetables.

INDICES

Table showing various financial indices like Dow Jones, FTSE, and others.

Advertisement for Gold or Copper? featuring a large graphic and text about investment opportunities in gold and copper.

RUBBER

Table showing rubber prices for different types and origins.

COCOA

Table showing cocoa prices for various grades and origins.

COFFEE

Table showing coffee prices for different types and origins.

WOOL FUTURES

Table showing wool futures prices for various grades and origins.

REUTERS

Table showing Reuters market data and news snippets.

Wool futures

Table showing wool futures prices and market news.

Brazil raises coffee tax

By Our Commodities Staff
NEWS THAT Brazil had raised its tax on coffee exports helped to boost values on the London coffee futures market yesterday.

APPOINTMENTS WANTED

Text listing various appointments and services available.

TRAVEL

Text providing travel information and services.

GRIMSBY FISH

Text providing information about Grimsby fish market.

Gilts rally in thin trade on sterling's late recovery shares with Nigerian interests dull and Golds fall again

Account Dealing Dates

Option
\*First Declara- Last Account
Dealings Dealings Day
July 30 Aug. 9 Aug. 10 Aug. 20

Proceedings at the start of another quiet and uncertain day in stock markets were dominated by weakness in the shares of British Petroleum on the overnight announcement of Nigeria's seizure of the group's interests in that country.

Conversely, shares of leading companies, initially easier on the pound's early rise, made a little headway in the early afternoon trade and generally held the slightly better average index 1.5 at 10 am, the FT 30-share Index

rallied to show a gain of 1.6 by 2 pm and closed 2.6 up on the day at 458.8.

North Sea oil stocks other than BP were usually firm following June's increased production from the area, particularly those interested in the Nianian and Beryl fields, and a seven-day sequence of falls outmuttering gains in FT-quoted industrials came to an end with rises yesterday in a 3-to-1 majority.

South African gold shares continued to retreat with the bullion price which has dropped \$184 an ounce over the past four days with the Gold Mines index down 3.8 at 148.6 yesterday, charting a three-day fall of 9.2.

Stimulated by yesterday's late recovery in sterling, gilt-edged securities took a distinct turn for the better. Long-dated stocks made a rather uncertain start, but some buying interest was shown from around lunch time which was quickly reflected in prices and left flat quotations with gains ranging to 4 and occasionally more.

Yesterday's SE conversion factor was 0.9203 (0.9261).

Business in Traded options remained small but picked up with a total of 433 contracts being completed against Tuesday's depressed level of 172.

Gridlays down again

Comment on the disappointing interim results and concern about the group's Nigerian interests prompted renewed dullness in Gridlays which fell 5 for a two-day fall of 11 at 95p.

The major clearing banks took the previous day's rally a stage further with Midland leading the way at 355p, up 9. NatWest put on 3 to 325p, while Barclays, 425p, and Lloyds, 285p, rose 6 and 5 respectively.

Insurance moved higher with the general trend. Sun Alliance put on 5 to 322p, while General Accident improved 6 to 204p.

volume of business again left much to be desired. Unilever rose 10 to 499p and Turner and Newall picked up 4 to 123p.

Automated Security, a good market of late, improved to 165p in response to the good interim figures before easing on profit-taking to close unaltered on balance at 163p.

Late support lifted John Brown 10 to 423p, while occasional buying interest prompted a gain of 4 to 165p in Vickers, but little else worthy of note developed in the Engineering leaders.

Among secondary issues, Hillards touched 350p in immediate response to the results and proposed 100 per cent scrip issue.

Small gains predominated in Trusts, with Aljante Assets improving 2 to 107p in response to Press mention.

Among Shippings, P and O Deferred, 101p, and Lofis, 50p, both hardened a penny, but Furness Withy encountered sellers at 266p, down 5p.

Interest in Textiles was again confined to secondary issues. R. Smallshaw (Kaitway) added a couple of pence to 29p on the increased mid-term profit and dividend, and the first interim payment since 1974.

Large dollar-earners Bats advanced 10 to 281p in response to the previous day's fall in sterling. Imperial were also firm, rising 2 to 91p.

Plantations generally ended easier following a subdued business. Recent speculative favourite London Sumatra gave up 5 to 263p, while similar falls were sustained in Bertram, 157p, and Castlefield, 290p.

Bernard, Stanley featured prominently with a gain of 45 to 447p, after 450p, on the announcement that his discussions had commenced with Eagle Star, a firm at 137p. Elsewhere, Land Securities added 4 to 257p and MEPC 3 to 179p, while Great Portland Estates put on 6 to 322p, coincidentally of the interim results lifted City Offices 3 to 42p in response to the increased dividend and profit.

Quietly steady for most of the session, leading Foods tended firmer in the late dealings. Rowntree Macintosh and Northern Foods improved 4 pence to 164p and 109p respectively, while United, 89p, and British Foods, 81p, both firmed 2.

Among secondary issues, Hillards touched 350p in immediate response to the results and proposed 100 per cent scrip issue.

FINANCIAL TIMES STOCK INDICES
Table with columns for various indices (Government Secs, Fixed Interest, Industrial, Gold Mines, etc.) and rows for different dates (Aug 1, July 31, etc.)

10 am 452.7, 11 am 453.8, Noon 456.0, 1 pm 456.4, 2 pm 455.9, 3 pm 458.8, Latest index 457.248 9000.

HIGHS AND LOWS S.E. ACTIVITY
Table with columns for High, Low, High, Low, and rows for various stock categories (Govt. Secs, Fixed Int., Ind. Ord., Gold Mines, etc.)

NEW HIGHS AND LOWS FOR 1979
Table with columns for New Highs and New Lows, listing various companies and their stock prices.

RISKS AND FALLS YESTERDAY
Table with columns for Up, Down, and rows for various stock categories (British Funds, Foreign Bonds, etc.)

OPTIONS
Table with columns for Dealings, Last Dealings, Last Declared, and rows for various options.

LONDON TRADED OPTIONS
Table with columns for Option, Ex. Price, Closing Offer, Vol., Closing Offer, Vol., Closing Offer, Vol., Equity Close

BP weaken
News of the nationalisation of all its Nigerian oil assets caused marked weakness in British Petroleum which opened sharply lower at 1190p, touched 1150p, rallied to 1170p and then fell to close at 1160p.

Reed Int. up
Miscellaneous industrial leaders managed to take the previous day's technical rally a useful stage further although the

FT-ACTUARIES SHARE INDICES
These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

ENTE NAZIONALE IDROCARBURI
National Hydrocarbons Authority
6 1/2% Sinking Fund Debentures due September 1, 1981

ACTIVE STOCKS
Table with columns for Stock, Denomination, Closing Price, Change, 1979 High, 1979 Low

RECENT ISSUES
Table with columns for Issue, Price, Denomination, Closing Price, Change, 1979 High, 1979 Low

FIXED INTEREST STOCKS
Table with columns for Issue, Price, Denomination, Closing Price, Change, 1979 High, 1979 Low

LEADERS AND LAGGARDS
Table with columns for Sector, Change, and rows for various sectors (Food Retailing, Property, Oil, etc.)

"RIGHTS" OFFERS
Table with columns for Issue, Price, Denomination, Closing Price, Change, 1979 High, 1979 Low

FIXED INTEREST PRICE INDICES
Table with columns for British Govt. A Govt. Reg., and rows for various interest rates

FIXED INTEREST PRICE INDICES
Table with columns for British Government, and rows for various interest rates

FT-ACTUARIES SHARE INDICES
Table with columns for Equity Groups & Sub-sections, and rows for various stock categories (Capital Goods, Building Materials, etc.)

AUTHORIZED UNIT TRUSTS

Table listing various authorized unit trusts with columns for trust name, manager, and other details.

Table listing various unit trusts with columns for trust name, manager, and other details.

INSURANCE AND PROPERTY BONDS

Table listing various insurance and property bond companies with columns for company name, address, and other details.

OFFSHORE AND OVERSEAS FUNDS

Table listing various offshore and overseas funds with columns for fund name, manager, and other details.

NOTES: Information regarding the accuracy and use of the data provided in the tables.

Manchester Business School Management Course. "probably the finest short course in the world" but were working on it.

FT SHARE INFORMATION SERVICE

FOREIGN BONDS & RAILS

Table of Foreign Bonds & Rails with columns for Country, Stock, Price, Div. Yield, and Bid.

BRITISH FUNDS

Table of British Funds categorized into 'Shorts' (Lives up to Five Years), 'Five to Fifteen Years', and 'Over Fifteen Years'.

AMERICANS

Table of American stocks and bonds with columns for Stock, Price, Div. Yield, and Bid.

BANKS & HP—Continued

Table of Banks and HP (Home Purposes) with columns for Stock, Price, Div. Yield, and Bid.

BEERS, WINES AND SPIRITS

Table of Beers, Wines and Spirits with columns for Stock, Price, Div. Yield, and Bid.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of Building Industry, Timber and Roads with columns for Stock, Price, Div. Yield, and Bid.

CHEMICALS, PLASTICS—Cont.

Table of Chemicals and Plastics with columns for Stock, Price, Div. Yield, and Bid.

DRAPERS AND STORES

Table of Drapers and Stores with columns for Stock, Price, Div. Yield, and Bid.

ELECTRICALS

Table of Electricals with columns for Stock, Price, Div. Yield, and Bid.

ENGINEERING—Continued

Table of Engineering stocks with columns for Stock, Price, Div. Yield, and Bid.

HOTELS AND CATERERS

Table of Hotels and Caterers with columns for Stock, Price, Div. Yield, and Bid.

INDUSTRIALS (Misc.)

Table of Industrial stocks (Miscellaneous) with columns for Stock, Price, Div. Yield, and Bid.

CANADIANS

Table of Canadian stocks with columns for Stock, Price, Div. Yield, and Bid.

INTERNATIONAL BANK

Table of International Bank stocks with columns for Stock, Price, Div. Yield, and Bid.

CORPORATION LOANS

Table of Corporation Loans with columns for Stock, Price, Div. Yield, and Bid.

BANKS AND HIRE PURCHASE

Table of Banks and Hire Purchase with columns for Stock, Price, Div. Yield, and Bid.

COMMONWEALTH & AFRICAN LOANS

Table of Commonwealth & African Loans with columns for Stock, Price, Div. Yield, and Bid.

FINANCIAL TIMES

Publication information for Financial Times in London and Frankfurt, including contact details for editorial and advertising offices.

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Publication information for Financial Times in London and Frankfurt, including contact details for editorial and advertising offices.



INDUSTRIALS—Continued

Table of industrial stocks including companies like Anglo-TV, British Airways, and various manufacturing firms. Columns include stock name, price, and change.

INSURANCE—Continued

Table of insurance stocks including companies like C.A.R.E., Hamilton Life, and various insurance providers.

PROPERTY—Continued

Table of property stocks including companies like G.L. Portland, Greenacres, and various real estate related firms.

INVESTMENT TRUSTS—Cont.

Table of investment trusts including companies like Brit. Inv. & Gen., British Overseas, and various investment funds.

FINANCE, LAND—Continued

Table of finance and land stocks including companies like Lon. Euro. Corp., M.A.G. & Hedges, and various financial institutions.

WAKO SECURITIES CO., LTD. Tokyo, Japan. London Branch Office. 15th Floor, Lee House, London Wall, London EC2Y 5AS.

MINES—Continued AUSTRALIAN

Table of Australian mining stocks including companies like Agnew, BHP, and various mining operations.

TINS

Table of tin stocks including companies like Amer. Nigeria, Aker-Hitam, and various tin mining firms.

COPPER

Table of copper stocks including companies like Messina R.O., and various copper mining firms.

MISCELLANEOUS

Table of miscellaneous stocks including companies like Buffers, East Africa, and various other firms.

NOTES

Notes section containing various financial notices, company announcements, and market updates.

REGIONAL MARKETS

Table of regional market data for various countries and regions.

OPTIONS 3-month Call Rates

Table of 3-month call option rates for various stocks and indices.

PROPERTY

Table of property stocks (repeated from top section).

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land stocks (repeated from top section).

FINANCE, LAND, etc.

Table of finance, land, and other stocks (repeated from top section).

DIAMOND AND PLATINUM

Table of diamond and platinum stocks.

CENTRAL AFRICAN

Table of Central African stocks.

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New Italy crisis as Pandolfi fails to form government

BY PAUL BETTS IN ROME

SIG. FILIPPO MARIA PANDOLFI, the Christian Democrat Prime Minister designate, last night gave up his attempt to form a new Italian government.

renewed obstacles and acrimonious differences between the various parties made it impossible for him to form an administration.

Without the support of the Socialists, no governing formula excluding the powerful Communist Party can be reached.

On the surface at least, the difficulties to unblock the current political situation result from the inconclusive general election which has left the Socialist Party in a key position.

CUSTOMS WORK-TO-RULE STARTS TONIGHT

Travellers facing long delays

BY PHILIP BASSETT, LABOUR STAFF

CUSTOMS OFFICERS at air and sea ports will begin working in rule from midnight tonight and the action may cause serious delays with the holiday season at its peak.

Services Association, have been told to work to rule.

Heathrow, Gatwick and Luton airports and Dover and Folkestone cross-channel ports, because they are busiest.

review of Civil Service staff costs.

Seamen black North Sea rigs

BY NICK GARNETT, LABOUR STAFF

CREWS ON supply boats serving North Sea oil rigs and platforms involved in the offshore catering workers' strike were instructed by the National Union of Seameo yesterday not to service those installations.

nificant effect on oil production within a month.

Dockers at Aberdeen, however, rejected a request this week from the Transport Workers not to handle food containers destined for the affected installations.

Mr. Harry Bygate, Aberdeen branch secretary of the seamen's union, said: "There is no way that seafarers can continue servicing the installations while construction workers are refusing to cross our picket lines and dockers in Dundee, Montrose, Glasgow and Methil are blacking supplies to the rigs."

Eagle Star renews Sunley bid six years after first offer

BY CHRISTINE MOIR

EAGLE STAR, the insurance group, has renewed its suit for Bernard Sunley Investment Trust, the property company in which it has a 33 per cent stake.

were worth 352p a share excluding the ski resort.

joined the crowd bidding for English Property Corporation. It finally sold its 27 per cent stake to the successful Canadian bidder for £16m.

BP says it observed all Nigeria's oil movement curbs

BY RAY DAFTER AND JOHN LLOYD

BRITISH PETROLEUM said yesterday that it had fully observed all regulations placed by Nigeria on the movements of its oil.

market in return for an equivalent amount from an unembargoed source being sold to South Africa.

Continued from Page 1

Warning by Bank

damage to industry than occurred in 1973.

that they might not recover.

manipulating your way through the demand side of the economy.

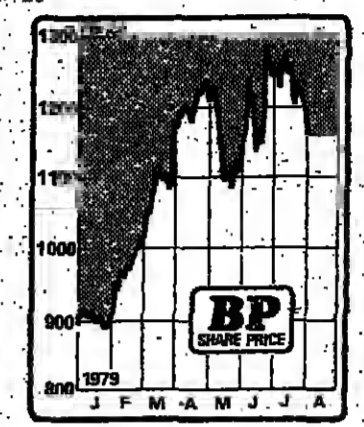
However, Mr. Pennell said that the Nigerian oil would probably continue to be traded, probably on the spot market, where prices are higher.

Trust fails to buy cliff

THE LEX COLUMN

The crude gap at BP

Index rose 2.6 to 456.8

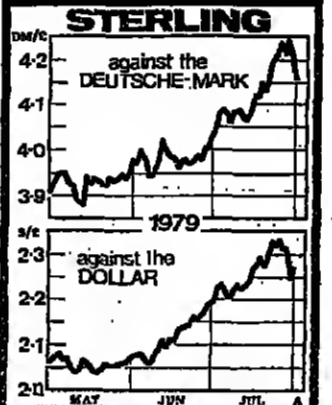


close link. Although the postal brings Sunley a net loss of around £2m, it is clear, on substantial debts trading losses which have exceeded £1m over the last few years.

Sterling up, but remains volatile

By Peter Riddell, Economics Correspondent

STERLING ROSE yesterday against most currencies, reversing part of Tuesday's sharp decline.



was finished after the earlier sharp rise in the rate.

Dealers said Tuesday's decline may have been overdone, though they were reluctant to say that the shake-out

be persuaded to help BP out of its difficulties, on the argument that BP is a victim of political sanctions which are rarely aimed at the Government.

Dixons Photo

It is difficult to be precise about what Eagle Star is likely to offer for the 67 per cent of the shares which it does not already own.

Hanson/Lindisfarne

But Dixons has now resigned itself to the fact that Westons the Chemists is never going to become a serious rival to Boots and is rapidly slimming down its chemist chain from the 200 odd branches at the time of the takeover to a nucleus of 70-80 shops.

Eagle Star/Sunley

The announcement of bid talks between Eagle Star and Bernard Sunley comes just a day after news that the latter had finally extricated itself from its disastrous French resort development. The two moves are

Weather

UK TODAY SHOWERS, more frequent in the North and East of England. Some sunny intervals in the South. Rain in Scotland and N. Ireland.

Australia map with weather details for various regions.

WORLDWIDE

Table with columns for location, day, and weather conditions.

The vital link Commonwealth Trading Bank of Australia advertisement.

Printed by St. Dunstons Press for the Financial Times Ltd. Printed in Great Britain.